FBIS DAILY REPORT

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U.S.-NICARAGUAN TALKS CONTINUE IN MEXICO

PA261840 Managua Radio Sandino Network in Spanish 1200 GMT 26 Jun 84

[Text] The U.S.-Nicaraguan talks that are taking place in Manzanillo, Mexico, cotninued today. Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco and U.S. special envoy Harry Shlaudeman initiated conversations yesterday afternoon. The two government representatives were welcomed by Mexican Foreign Secretary Bernardo Sepulveda Amor. The Mexican Foreign Relations Secretariat has indicated that there is no representative of the Mexican Government mediating or acting as witness to the talks. The topics that the U.S. and Nicaraguan representatives discussed last night are not known.

NICARAGUA HOSTS JOURNALISTS CONVENTION

PA252117 Managua Radio Noticias in Spanish 1200 GMT 25 Jun 84

[Text] Today at the convention of Latin American and Caribbean journalists, Nicaragua will present a complete report on how misinformation operates against the revolution and the various types of attack used by the United States through the media.

The second congress of Latin American and Caribbean journalists, attended by more than 50 journalists, will begin today in Managua. Here is Juan Molina Palacios, secretary of international relations of the Union of Nicaraguan Journalists, UPN, [as heard; bureau files list him as UPN president] with more details on the event:

[Begin recording] [Molina Palacios] Yes, all the delegations of the participating countries have arrived; in other words, delegations from almost all Latin American countries, and particularly, as indicated in the conference name, from the Caribbean. European journalists have also arrived, as well as journalists from far away countries such as Vietnam, who will begin analyzing misinformation, manipulation, and all aspects having to do with the international handling of the news, which is also an attack on these countries by imperialism through the communications media. Journalists who operate in an organized fashion; progressive, revolutionary journalists; and even journalists with their own personal views will have an opportunity at this meeting to evaluate how information flows at the international level, and particularly in Central America and the Caribbean Basin.

[Unidentified reporter] Is this the second meeting of this [word indistinct]?

[Molina Palacios] Yes, this is the second meeting. The first one was held in Grenada. At this second meeting, we will analyze the resolutions of the previous meeting, in order to determine and correct any past mistakes, so that we may counter misinformation regarding our countries, particularly with regard to Third World countries.

[Reporter] Will the Nicaraguan delegation present any specific charges?

[Molina Palacios] Yes, Nicaragua will present specific charges on how our country is attacked, how misinformation is carried out, and on attempts to distort the development of our revolution, the reconstruction of our country, and (?the creation) of a new society. The objective is to make the journalists aware of this, and to adopt what we have called plans of action, the creation of real information centers that will be handled by the journalists themselves, which will be one of the subjects to be analyzed by some Latin American countries. [end recording]

OFFICIALS, GOVERNMENT REACT TO INTEREST RATE HIKE

Cartagena Nations Consulted

PY270030 Buenos Aires TELAM in Spanish 2359 GMT 26 Jun 84

[Text] Buenos Aires, 26 Jun (TELAM) -- Foreign Minister Dante Caputo this afternoon announced that Argentina, in the capacity of temporary secretary for the Cartagena Consensus, has consulted with the foreign ministries of the 11 countries which participated in that meeting about their government's reaction to the rise of interest rates by some U.S. banks. Caputo defined these consultations at the first step in order to adopt a decision under the consultation mechanism adopted at the Cartagena Consensus. He added that he could not speak of a sinister intention on the part of the banks, but that he could not deny that it is intolerable that internal modifications within one country should affect the economy of the debtor countries.

The foreign minister also said that the efforts to control the situation have vanished into the air, because this new interest rate hike will take up all the savings made in the national atomic energy plan.

Alfonsin on Consultations

PY270035 Buenos Aires TELAM in Spanish 0024 GMT 27 Jun 84

[Text] Buenos Aires, 26 Jun (TELAM) -- President Raul Alfonsin tonight asserted that we Latin American countries cannot continue to depend on the ups and downs of the U.S. financial market, as this is seriously affecting our economies. In a statement that was released due to the increase in the interest rates of international banks, Alfonsin stated that consultations have begun with sister countries in order to coordinate our positions.

Following is the text of the president's statement that has been released by Government House:

It was only 45 days ago that I stated my most energetic protest regarding the increase that was being registered by international interest rates because it was making even more serious the burden of the external debt on our economy.

For their part, the other presidents of the sister countries made pronouncements to that effect at the same time. On 19 May the presidents of Brazil, Colombia, Mexico, and Argentina made public a joint declaration on this subject. A few days later the presidents of Ecuador, Peru, and Venezuela joined us in addressing a letter to the heads of state or government of the seven developed countries meeting in London. Less than a week ago 11 Latin American countries met in Cartagena, Colombia, to work out a consensus on the foreign debt problem and, particularly, on the devastating effects of the very high interest rates we are paying.

It is discouraging to see that after a few expressions of goodwill, the only concrete fact in the wake of our appeals is this new interest rate increase by the U.S. banks.

The Latin American countries cannot continue to depend on the changes in the U.S. financial market which badly affect our economies. Therefore, under the Cartagena Consensus, we have begun to make consultations with the sister countries in order to coordinate our positions.

Vice President Comments

PY261837 Buenos Aires Domestic Service in Spanish 1600 GMT 26 Jun 84

[Text] At the end of his regular Tuesday meeting with President Alfonsin, Vice President Victor Martinez said that the 1/2-percentage-point increase in interest rates imposed by foreign banks will worsen the situation. He expressed his belief that the measure was not aimed at pressuring Latin American debtor countries that met in Cartagena but rather that the increase had been planned earlier. However, Dr Martinez insisted that the measure will undoubtedly worrsen the situation.

ALFONSIN URGES 'JOINT EFFORT' BY SECTORS

PY261921 Buenos Aires Domestic Service in Spanish 1600 GMT 26 Jun 84

[Government House report]

[Text] In the speech President Raul Alfonsin will address to the nation tomorrow at 2100 [0000 GMT], he will particularly refer to the economic and social fields. He will also call for responsible actions from all sectors and reaffirm the government plan, which consists of reactivating the economy, controlling inflation, and increasing real wages between 6 and 8 percent this year. This announcement has been made by presidential spokesman Jose Ignacio Lopez in the journalists room of Government House.

Lopez pointed out, among other things, that the presidential message will stress the fact that all sectors must make a joint effort. Ignacio Lopez also said that Dr Raul Alfonsin will also refer to the future wage policy. Summarizing, he said that the speech will contain guidelines and measures that will be later implemented by the corresponding ministries.

FOREIGN MINISTER SUSPENDS TRIP TO BOLIVIA

PY270320 Buenos Aires TELAM in Spanish 0148 GMT 27 Jun 84

[Text] Buenos Aires, 26 Jun (TELAM) -- Although no official information has been released, it was learned today at San Martin Palace that Foreign Minister Dante Caputo has suspended his trip to Bolivia. The trip was scheduled for 2 July. According to an authorized report, complex technical reasons have caused the trip to be suspended. The minister's resolution has no political connotations.

Foreign Minister Caputo may travel to Bolivia during the course of the second two weeks of July, as soon as matters pertaining to the leveling of the balance of payments due to Argentina's purchase of Bolivian gas have been ironed out.

BRITISH MP DELEGATION MEETS WITH CONGRESSMEN

Lord Kennet Arrives

PY262240 Buenos Aires TELAM in Spanish 1950 GMT 26 Jun 84

[Excerpt] Buenos Aires, 26 Jun (TELAM) -- Lord Wayland Kennet, the third British MP of the unofficial delegation that is visiting Argentina, today stated on his arrival that "we are here to begin resolving the problems that caused the war."

Senator Walks Out of Meeting

PY262125 Buenos Aires TELAM in Spanish 2117 GMT 26 Jun 84

[Text] Buenos Aires, 26 Jun (TELAM) -- Senator Luis Leon [Radical Civic Union -- Chaco Province] today at 1745 [2045 GMT] stormed out of a meeting that he was holding with British MP's, whom he termed insolent gringos.

The senator from Chaco Province indicated that during the meeting, which started at 1710 [2010 GMT] on the premises of the Congress with the participation of 10 Argentine congressmen, British MP Cyril Townsend had proposed a resumption of diplomatic and trade relations between Argentina and Great Britain, relations that would continue until 1990, when sovereignty would be discussed. This proposal of the British MP provoked Leon's departure and he told journalists that were present that this confirms that they are insolent gringos.

As of 1800 [2100 GMT], the meeting between Townsend and Foulkes continues with the other Argentine congressmen.

Senators Hold Press Conference

PY270205 Buenos Aires TELAM in Spanish 0127 GMT 27 Jun 84

[Text] Buenos Aires, 26 Jun (TELAM) -- British MP's Cyril Townsend, George Foulkes, and Lord Wayland Kennet today stated in the Argentine Congress that the time has come for diplomats of the two countries to hold a round table meeting to discuss the problem of the Malvinas Islands. They did not deny the presence of nuclear weapons in the South Atlantic zone of conflict. The British MP's arrived at the Congressional Palace a little past 1700 and talked with Argentine senators and deputies until after 1930.

Present at the meeting were Intercongressional Relations Committee Chairman Julio Amoedo (Justicialist Party [PJ] -- Catamarca), Defense Committee Chairman Antonio Tomas Berhongaray (Radical Civic Union [UCR] -- La Pampa), and Foreign Relations Committee Chairman Adolfo Gass (UCR -- Buenos Aires), in addition to Senators Eduardo Menem (PJ -- La Rioja), Miguel Mathus Escoriehuela (UCR -- Mendoza), Fernando de la Rua (UCR -- Capital), Luis Leon (UCR -- Chaco), Miguel Salim (PJ -- Santiago del Estero), and Carlos Gomez Centurion (Blocist -- San Juan), and Deputies Federio Storani (UCR -- Buenos Aires), and Jorge Vanossi (UCR -- Capital).

Approximately 30 minutes after the meeting began, Senator Leon walked out of the meeting and told the press that they proposed to us to deal first with less important issues, and only after 1990 to discuss the problem of sovereignty. He termed them insolent gringos and another version of the historically insolent pirates.

At the end of the meeting, the British MP's left without making any remarks, while Senators Amoedo, Gass, and Berhongaray granted a press conference. They agreed on the fact that the meeting was cordial, that the visitors were not officially representing their country or at least their Parliament, and that they exchanged ideas to overcome the stalemate reached in their bilateral relations. They also said that an agreement was reached with the British MP's on the need for diplomats of the two countries to immediately begin formal talks to improve relations between the two countries, especially in the areas of communications and trade.

Senator Amoedo said: We did not discuss concrete propositions because neither we nor they have any authority to do so. He added: We discussed how the negotiations by officials of the two foreign ministries could begin; we thought it could begin with an open agenda.

Senator Gass agreed with Amoedo's statements and discarded the idea that the visitors could be our representatives in London. He added: They were impressed by the unity of ideas in our concepts because we showed complete agreement, above and beyond party differences.

Berhongaray was asked why Senator Leon left the meeting. He said that Leon had a meeting scheduled at Government House. He also said that there was no concrete proposition about the issue of sovereignty after 1990 but that the possibility for beginning negotiations to reach a final solution during the decade of 1990 was discussed. Berhongaray also reported that one of the British legislators said that the Kelpers have no right for veto over a possible Argentine-British agreement, that the islanders have interests but no rights. Benhongaray also said: We expressed annoyance over the hasty construction of a fortress in the Malvinas to which they answered that an airport which will help in the demilitarization of the islands is being built.

The British members of Parliament were also informed of the Argentine concern regarding the possible presence of nuclear weapons in the South Atlantic which, according to Berhongaray, was not denied by the British.

The visitors demanded the formal declaration of a cease-fire by Argentina to which the senators responded that this declaration must be at the conclusion rather than at the beginning of the negotiations.

In conclusion, Senator De la Rua, who attended the press conference said: The British legislators invited us to visit Great Britain and we agreed not only on the need to begin as soon as possible the negotiations to reestablish bilateral relations but also on the need to get to know each other better to clarify our positions.

MP's Issue Statement

PY270230 Buenos Aires DYN in Spanish GMT 27 Jun 84

[Text] Buenos Aires, 26 Jun (DYN) -- Argentine congressmen and British members of Parliament today analyzed the possibility of reaching a lease agreement on the Malvinas during one of the many nonofficial exploratory missions being used by the two nations in order to solve the conflict over the archipelago, a step that is indispensable for the resumption of diplomatic relations.

Georges Foulkes, a Labor representative in the House of Commons, termed the meeting with Argentine congressmen this afternoon "very cordial," and revealed that "the possibility of reaching a lease agreement was mentioned in some detail," adding that he did not know if nuclear arms have been installed on the islands. "I have no knowledge about the existence of nuclear arms (on the Malvinas) but if I should learn that they exist, I would denounce them much more vehemently than the Argentine Government," the British MP stressed during a press conference held tonight at the downtown hotel where he is staying with his two colleagues. Foulkes explained that the lease arrangement has been discussed both before and after the Malvinas war, and that it calls for Great Britain to transfer the sovereignty of the islands to Argentina which will in turn lease them to Great Britain for "a definite period of time."

Foulkes, who yesterday arrived on a private mission together with Conservative MP Cyril Townsend and Lord Wayland Kennet, Social Democratic representative in the House of Lords, tonight read a 2-page handwritten declaration on the negotiations held with Argentine lawmakers, talks which he repeatedly labeled unofficial. This handwritten declaration, which Foulkes read in the name of his delegation, described the 2-and-1/2-hour meeting with Argentine lawmakers as cordial, very valuable, and a resumption of relations between the two parliaments. "We hope that these meetings (between parliamentarians of both nations), in the wake of a difficult period, are positive and that they will make headway. We will continue making efforts, but we realize that progress will be slow," stated the declaration drafted during a 15-minute meeting which the British parliamentarians held while journalists were waiting for the press conference to begin.

Answering questions later, Foulkes acknowledged that the issue of sovereignty of the Malvinas Islands was one of the main topics at the meeting at the Congress this afternoon and said that "we also discussed, very cordially, other equally important subjects such as exchange in the fields of culture and sports, and visits to the graves on the archipelago."

He also revealed that they had invited, on behalf of their parties and the British Parliament, Argentine lawmakers to travel to London and explain their viewpoints "just as we are doing now because in the House of Commons there is a lot of interest and pressure to resume friendly talks with the Argentines." He said that his party, Labor, believes that the resumption of diplomatic relations between the two countries "is very important" in order to "allow negotiations within the framework of the United Nations" concerning the Malvinas conflict.

Foulkes took considerable care to avoid mentioning the words Malvinas, or Falklands, as the British call the archipelago, and merely spoke in general terms about the "islands." He voiced his hope that "there will be more meetings, more talks" with Argentine lawmakers before the mission leaves on Friday.

When asked whether he was planning to meet with other government officials, not only congressmen, Foulkes answered: "We will stay 4 days more....I believe that our presence here offers an excellent opportunity for negotiations; we will be waiting." About today's meeting in Congress, Foulkes revealed that "the possibility of an agreement to lease" the Malvinas was discussed in some detail. "It is a subject which was discussed before and after the war with congressmen and politicians" of both countries. This proposal, which he deemed "possible," is to "obtain a passing of sovereignty from Great Britain to Argentina and a subsequent leasing of the islands by Argentina to Great Britain for a specified period of time." Foulkes claimed that this solution to the conflict "is interesting and they (the Argentine congressmen) were interested as well."

Foulkes finally said that "we discussed the demilitarization" of the Malvinas within a "general framework of direct contacts between the parliamentarians of both nations," because "in Great Britain, and I believe here as well, a great deal of hope is being placed on direct negotiations."

MP Foulkes Interviewed

PY270147 Buenos Aires Argentina Televisora Color Network in Spanish 0000 GMT 27 Jun 84

[British MP George Foulkes interviewed by Argentina Televisora Color correspondent -- recorded in English with simultaneous translations into Spanish, date not given]

[Text] [Correspondent] Mr Foulkes, when you were talking about the sovereignty issue with the Argentine senators, what did they say about it?

[Foulkes] I think you must talk to each one of the senators to find out what their own views were. What I can say is that each member of our delegation did talk about the question of sovereignty and it was a central feature of our discussion, but we hope to have further discussion on this matter which is very, very important.

[Correspondent] One of the Argentine people's worries, principal worries, is that the Malvinas may become a NATO base. What do you think about that?

[Foulkes] Well that was one area were we were able to state quite categorically, all of us from the three different parties, that there is no intention at all, in our view, that the Malvinas be considered a North Atlantic base in any way, at all, it being no part of NATO.

CZECHOSLOVAKIA'S CHNOUPEK HOLDS PRESS CONFERENCE

PY262316 Buenos Aires LA NACION in Spanish 22 Jun 84 p 5

[Text] The minister of foreign relations of Czechoslovakia, Bohuslav Chnoupek, has compared the visit he started yesterday with the visit that he made 10 years ago to Argentina. He said that currently there is a "greater stability and liberty," and he also stated that he is convinced that "this government knows what it wants and how to get it."

Bohuslav Chnoupek said at a press conference that his stay, which will last until 25 June, is meant to strengthen bilateral relations "after the elections in which a democratic government was chosen." He said that there is mutual political will, indicating his desire for establishing a system of information on international policies supporting detente and world peace.

Chnoupek said that during the meeting with President Alfonsin which lasted almost 2 hours the latter exhaustively discussed many issues and he sidestepped neither the inherited difficulties nor the certainty of resolving the problems.

Asked about Czechoslovak purchases in Argentina, Chnoupek said that during the first 5 months of this year they have already reached $52 million and that this figure should be compared with the total for 1983, which amounted to $45 million. Chnoupek said: "We have done the same as after the Malvinas war, we have increased our purchases."

Chnoupek talked about the interest in our products, and when he was asked to specify, he said that there was interest in Argentine tools and machinery used in hydroelectric and thermal projects that are being constructed in Argentina with Czechoslovak cooperation. He also talked about the possibility of buying this equipment for use in similar projects, which engineering enterprises are building in other countries. The Czechoslovak ambassador to Argentina, who was also present at the meeting, said they were studying the possibility of buying Argentine-made Fiat spare parts for the same cars in Czechoslovakia.

The Foreign Minister also said that he was pleased with meetings with Vice President Martinez, with whom he studied the reciprocal visits of legislators of the two countries, and with his chat with Secretary of Foreign Relations Elsa Kelly.

Chnoupek said that Argentina and Czechoslovakia have voted the same way at many international forums, and that he was extending an invitation for Foreign Minister Dante Caputo to visit Prague.

The conversation turned again to the economic area, a subject that the visitor knows very well, and he said he had told President Alfonsin yesterday that his country could make investments by means of coproduction systems (locomotives, cement factories, trolleybuses, etc. which, although a long-term plan, represents progress in traditional trade relations.)

He also told President Alfonsin that Czechoslovakia likes to trade with Argentina 'because Argentina does not practice protectionism and because its businessmen are imaginative, responsible, efficient, and pay their debts." He added: "This may be the reason why our trade relations have been going for 60 uninterrupted years." Chnoupek will leave for Misiones today and will visit Chaco tomorrow. On Sunday he will be honored at a reception by Foreign Minister Caputo who is returning from Cartagena tomorrow. A health agreement will be signed on Monday and a cultural draft agreement will be discussed the same day before he returns to his country in the afternoon.

Departs 25 June

PY260310 Buenos Aires TELAM in Spanish 0245 GMT 26 Jun 84

[Text] Buenos Aires, 25 Jun (TELAM) -- Czechoslovak Foreign Minister Bohuslav Chnoupek has stated that his country will include new products in the list of purchases from Argentina, thus manufactured and semimanufactured goods will now be added to the purchasing of raw materials. In statements that he made at Ezeiza airport, just before departing after a 5-day visit to our country, the minister said that his visit had been fruitful because important results have been achieved. "We are very interested in manufactured goods such as automotive spare parts and it is very feasible that a portion of our energy producing equipment can be manufactured in Argentina," he indicated.

Finally, he stated that we are ready to start work on the Guemes Hydroelectric Central on 1 July. This subject has been debated and we have been informed that Argentina is agreeable to that date.

USSR AMBASSADOR ON BILATERAL TRADE, COOPERATION

PY260232 Buenos Aires TELAM in Spanish 2158 GMT 25 Jun 84

[Text] Buenos Aires, 25 Jun (TELAM) -- USSR Ambassador Oleg Kvasov today said that we are ready to help in some way to find a solution to Argentina's economic and financial difficulties by proposing to this country, with which we have friendly relations, an equitable cooperation on completely equal footing. The Soviet diplomat made these remarks shortly before leaving for Chubut, invited by Governor Atilio Oscar Viglioni, Radical Civic Union,[UCR] to discuss ways and means to tighten our relations and seek possibilities for new contacts, expecially now that we see that the new government is paying a great deal of attention to provincial development.

On cooperation between the two parties, Kvasov further explained that his country has signed contracts directly with Mendoza and Neuquen Provinces and has projects under way with several others. I believe, he said, that Chubut has considerable mineral wealth; it has large deposits such as Rio Turbio, and Soviet and Argentine representatives have been discussing the exploitation and refurbishing of this coal deposit.

As for trade between the two countries he said that the Soviet Union is fulfilling its contracts to the letter and added that every year his country has been purchasing more than stipulated in the appropriate contract: 4.5 million tons of grains. Last year we bought approximately 9 million tons and during the first 4 months of this year we have already purchased more than 4 million tons. The ambassador said: We see that Argentina is truly interested in increasing its purchases from the Soviet Union, such as machinery and equipment, taking advantage of the USSR's experience in hydraulic and thermal power plants. Kvasov added that his country has supplied 14 turbines for the large Salto Grande hydroelectric complex, that the installation of a thermal power plant is being finished in Costanera 7 in Buenos Aires, and the USSR is also cooperating with the installation of a similar power plant in Bahia Blanca.

He concluded by saying that the Soviet Union has entered into several contracts with Argentina, the most important ones being those dealing with grains and meat. He also said that the development of economic and commercial cooperation between the two countries is mutually advantageous and can be expanded to the benefit of both nations.

IGLESIAS STRENGTHENS HOLD ON JUSTICIALIST PARTY

PY242135 Buenos Aires BUENOS AIRES HERALD in English 24 Jun 84 p 1

[Text] (DYN-NA) -- Herminio Iglesias strengthened his hold on the Buenos Aires branch of the Justicialist Party as a majority of the 496 delegates at last night's Provincial Party Congress rejected a proposal to hold internal party elections this year and extended Iglesias' mandate as party leader to three years.

The Iglesias backers also voted to expel from the party delegates Enrique Cano and Manuel Torres, charging them of being "traitors working for (President Raul) Alfonsin."

A tense atmosphere prevailed throughout the congress, with the rivalry between Iglesias and anti-Iglesias factions reaching its peak when Lomas de Zamora Mayor Carlos Duhalde and two others, all Iglesias opponents, were literally showed out the door of the social club belonging to the meat-packers' union. Though kept outside the conference room, reporters heard fighting, insults, and chairs moving just before the three were expelled for not having the proper credentials. National Deputy Norberto Imbelloni, an Iglesias backer, shouted through loudspeakers, "The Montoneros have come to provoke us."

Iglesias met with Raul Alvarez Echague, representing the dissident Peronists, just before the Congress got started to try to reach an accord. Alvarez Echague said afterwards Iglesias would not agree to call internal elections for this year, at which point the talks broke down.

Some 600 policemen were stationed near the union building, located in Lanus, to prevent any street fighting.

One of the first groups to arrive yesterday, some 200 women party delegates, entered the conference room around noon, most of them carrying bags containing thermos bottles and yerba mate in anticipation of the long session.

Former Economy Minister Antonio Cafiero, a challenger for control of the Buenos Aires party branch, preferred to keep his distance from the meeting instead, and spent most of the day at a restaurant three blocs away.

REPORTAGE ON POLITICAL, MILITARY DISPUTES

Cochabamba Command School Note

PY260220 La Paz Cadena Panamericana in Spanish 0000 GMT 26 Jun 84

[Text] The Mariscal Andres de Santa Cruz Command and General Staff School in Cochabamba has categorically rejected the idea that its movement is inspired by political elements, drug traffickers, or paramilitary groups. This opinion was conveyed by the school in a letter released at the start of this newscast. The military school believes that its request asking for the relief of Army Commander General Simon Sejas Tordoya is aimed at maintaining the unity of the Armed Forces. According to this document, the request made by the school's commanders, professors and students still stands. The document adds that the request made by the Command and General Staff School is in accordance with the national Constitution. The military school wants the commander of the Armed Forces, General Alfredo Villarroel, to consider the school's request.

Due to its importance we are going to release the school's note. The document was read by one of the officers of the Mariscal Andres de Santa Cruz Command and General Staff School:

[Begin recording] 1. In compliance with orders from the higher echelon, the student officers of the institute made suggestions, in a written form and individually, on 21 June 1984.

2. As a result of the above, six student officers selected at random were summoned to testify before the 6th Department of the Army General Staff. This decision disregarded the jurisdiction of the 1st Department, which specifically relates to personnel.

3. The procedure used during the testimony violates the regulations of Articles 4, 5, and 26 of the Military Penal Code.

4. The Army commander, during a meeting with the national press, said point one of the suggestion was mutinous, thus giving Article 76 of the Military Penal Code an interpretation favoring his own interests.

5. The manner used by the Army General Staff in conducting the questioning of the student officers of this institution violates Articles 81, 83, 84, 91, and 95 of the Military Panel Code, violations demonstrating that efforts are being made to manage the current situation in violation of legal rules which the Army Command must obey.

6. We regret that a national official, in unforgivable haste, said that the attitude of the Command and General Staff School is inspired by political elements, paramilitary groups, and drug traffickers. This remark is a serious offense to our school and to the entire institution. Therefore, defending the prestige of the Armed Forces, we strongly reject such a bold judgment and we demand those who said this have the courage to prove it.

7. We reiterate once again that the requests submitted on 21 June discuss very important matters and are aimed at maintaining the unity of the Armed Forces in support of the national Constitution.

8. We confirm the position of the Command and General Staff School that the commander of the Armed Forces must be the one to consider the requests made by this institution in accordance with Armed Forces regulations. [end recording]

This military problem continues to come to the attention of people here and abroad. The Mariscal Andres de Santa Cruz Command and General Staff School reiterated that its requests still stand, requests aimed at uniting the Armed Forces in accordance with the Constitution.

Siles at Economic Team Meeting

PY261807 La Paz Cadena Panamericana in Spanish 1700 GMT 26 Jun 84

[Excerpts] The Democratic and Popular Unity government's cabinet is facing a crisis in view of Industry and Commerce Minister Freddy Justiniano's resignation. This morning, Minister Justiniano submitted his resignation to President Hernan Siles Zuazo. The economic team meeting, that began at noon today at government house, is presided over by President Hernan Siles Zuazo. The miniters are said to be analyzing the country's current economic situation. The industry and commerce minister belongs to the economic team.

Siles Remarks

PY262318 Paris AFP in Spanish 2300 GMT 26 Jun 84

[Text] La Paz, 26 Jun (AFP) -- Bolivian President Hernan Siles Zuazo indicated today that the conflict involving the Army had been overcome by stating that those who have tried to take advantage of the situation to bring about changes have been defeated. The fact that General Guillermo Velez Salmon, spokesman of the group of officers who request requested the ouster of Army Commander in Chief General Simon Sejas Tordoya, has requested leave as commander of the Command and Staff School, seemed to confirm the president's remarks.

The chief executive told the journalists that Gen Sejas Tordoya has been confirmed together with the commanders in chief of the Navy and the Air Force. Information Minister Mario Rueda Pena said that the High Military Command is the anticoup protection of the current democratic process.

Union organizations such as the Bolivian Labor Federation (COB) rejected the demands of the rebel officers, indicating that the demands respond to coup plans from ousted military sectors that used to be linked to drug traffickers. President Siles Zuazo, upon saying that the military conflict was overcome, emphasized that the young officers and the intermediate cadre who participated in the resistance to the Garcia Meza dictatorship (1980-81) confirmed their firm support to defend democracy.

The military conflict could be solved in the next few hours with the appointment of General Edwin Peredo as the new commander of the Command and General Staff School. However, the rebel officers continue to demand the presence of Defense Minister Colonel Manuel Cardenas Mallo, retired, and Armed Forces Commander General Alfredo Villarroel Barja in Cochabamba.

'Tension' in Garrisons

PY262056 Madrid EFE in Spanish 2047 GMT 26 Jun 84

[By Adalid Cabrera Lemuz]

[Excerpts] La Paz, 26 Jun (EFE) -- Several units of the Bolivian Armed Forces have demanded that the Army High Command solve the conflict created by the insurrection of about 100 officers who are asking for the replacement of Army Commander General Simon Sejas Tordoya. Generally well-informed military sources told EFE today that the worsening of the internal problem has caused tension in garrisons throughout the country.

Despite the presidential decision to ratify General Sejas Tordoya and the high military commander in their posts, the rebeling officers have not backed down from their demand and continue to stay confined in the Cochabamba Command and Joint Staff School. The Naval War School decided yesterday to support their insubordinate Army colleagues, and the officers of this school demanded that their commander assist in a solution to the crisis.

The institutional conflict has created concern in political circles who fear that behind the insubordination there is a vast subversive plan in progress to overthrow President Hernan Siles Zuazo and again obstruct the democratic process.

The Socialist Party One (PS-1), which was fourth in the 1980 elections, released a communique saying that "fascist sectors of the Armed Forces linked to reactionary groups of the Historic Nationalist Revolutionary Movement (MNRH) and the Nationalist Democratic Action (ADN) are attempting to attack democracy.

The MNRH and the ADN, headed by former Presidents Victor Paz Estenssoro and Hugo Banzer respectively, are the main parties opposing Siles Zuazo. They were accused by the government of involvement in coup plans.

The PS-1 added that the subversive plan is linked to the U.S. Embassy in La Paz because the government decided to postpone the payment of the foreign debt which Bolivia has with international banks.

Government official spokesman Mario Rueda said that the military movement demanding the resignation of the Army commander "will not succeed because the sentiment in the military institution is definitely against that movement." President Hernan Siles Zuazo has met with the high military command to seek a solution to the conflict, which presupposes another threat for the constitutional process, which is only 20 months old, if the crisis continues.

Further Report

PY270140 La Paz Cadena Panamericana in Spanish 0000 GMT 27 Jun 84

[Excerpts] There is contradictory information regarding the request made by the Cochabamba Command and General Staff School. In La Paz, there was a report that the problem was solved after a conversation held by President Siles with the High Military Command. But in Cochabamba the report is that the conflict has not been solved. Radio Panamericana contacted the school, learning that although it is quiet, the conflict has not been solved.

In view of the announcement that the Cochabamba School commander has been replaced, the student officers said that they are willing to accept the change if it is made according to regulations, that is, according to military regulations. There is also a belief in the military school that the change of commander does not comply with current regulations, therefore the new commander appointed by the Army Command would not be accepted by the student officers. The problem created by the Mariscal Andres de Santa Cruz Command and General Staff School remains. Radio Panamericana's correspondent in Cochabamba reports that the problem has not been resolved with the resignation of the commander of that school, as reported by some national press circles. We have a report from our correspondent in Cochabamba.

[Correspondent] The problem created by the students of the Command and General Staff continues. Early this afternoon there was a report that the problem was solved with the resignation of the school commander. However, a few minutes ago the press was informed that this is not true. The students continue to be on alert. The students also disclosed that they are waiting for the arrival of a high-level military commission to reach an agreement on the problem. It has also been reported that the commander of the Command and General Staff School, General Velez, has not resigned, as previously reported. On the contrary, he has received the support of all the student officers.

PLANNING MINISTER DECRIES U.S. PRIME RATE HIKE

PY261833 La Paz Cadena Panamericana in Spanish 1700 GMT 26 Jun 84

[Excerpts] Planning and Coordination Minister Ernesto Aranibar has told Panamericana that the U.S. banks' decision to increase the prime rate will have a high cost for Latin America, especially Bolivia.

Just before entering Government Palace where he was to attend the economic team meeting, Aranibar stated:

[Begin Aranibar recording] From the financial point of view, this increase will represent a high cost for Latin America, especially Bolivia. This decision appears to be a provocation since it was taken shortly after the Cartagena meeting where one of the main points of discussion was to request more stable and lower interest rates from banks [words indistinct].

UN UNIT APPROVES $22.7-MILLION CREDIT

PY252143 La Paz Radio Illimani Network in Spanish 1700 GMT 25 Jun 84

[Excerpt] Rene Fernandez, interministerial coordination secretary for the Planning Ministry, has reported that the 31st session of the administrative council of the UN Development Program [UNDP] has approved a $22.7-million credit for Bolivia. During a press conference this morning, the Planning Ministry official said that the credit will be earmarked for development projects in important productive sectors. He said that the funds will be allocated as follows: $2.47 million for general matters such as the planning and implementation of projects, $10.57 million for developments in natural resources (?and agriculture), $2.35 million for the fishing sector, and $307 million for the industrial sector. He added that smaller amounts will be allocated to other sectors.

SPANISH PRIME MINISTER, KING, QUEEN TO VISIT

PY261425 La Paz Cadena Panamericana in Spanish 1130 GMT 26 Jun 84

[Excerpts] The king and queen of Spain will visit Bolivia during November, according to a report from our news agency. The report states: Bolivian Vice President Jaime Paz Zamora has told EFE that the king and queen of Spain, Juan Carlos I and Sophia, will make an official trip to Bolivia in November. Jaime Paz Zamora made this announcement after meeting with King Juan Carlos I at Zarzuela Palace.

Spanish Minister of oreign ffairs Fernando Moran has announced that Prime Minister Felipe Gonzalez plans to visit Bolivia possibly in August. Regarding this matter, an EFE report from Madrid says: Spanish Minister of Foreign Affairs Fernando Moran has announced the possibility of Prime Minister Felipe Gonzalez traveling to Bolivia in August. After meeting with the Bolivian vice president, Jaime Paz Zamora, who is on an official visit to Spain, Moran said that the visit to Bolivia of the chief of the Spanish executive branch would take place before the visit of the king and queen of Spain in November.

REACTION TO U.S. INTEREST RATE INCREASE

Government Concerned

PY261817 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 26 Jun 84

[Text] Debtor countries have once again been stabbed in the back: U.S. private banks have increased annual interest rates by 1/2-percentage point, from 12.5 to 13 percent. The measure has no justification and noone was consulted.

The U.S. banks' unilateral decision will effect past loans and those that will be granted in the future. Debtor countries will now face the consequences.

Mexican Finance Minister Jesus Silva-Herzog has said that interest rates were increased in retaliation for the Cartagena meeting.

Itamaraty has reported that the Brazilian Government received the information with obvious and great concern. Economic circles in Brasilia report taht Brazil will have to pay $10.0 billion this year. Of this amount, $300 million accounts for previous interest rate increases. The 1/2-percent increase just announced will force us to pay an additional $400 million next year, doing away with Brazilian efforts to reduce oil imports, replace imported items, and to increase exports. We are being confiscated by international bankers. Starting today, other debtor countries that are being strangled should also react to the news. Argentina may well adopt a drastic measure.

'Slap in Face'

PY261933 Sao Paulo Radio Bandeirantes Network in Portuguese 1550 GMT 26 Jun 84

[Excerpt] The so-called debtors club will soon issue a reply to the U.S. banks for increasing the interest rate by another 0.5 percent without any reason. The interest rate has now risen from 12.5 percent to 13 percent. In the case of Brazil alone, this increase will represent a loss of $300 million, that is, what the country will earn for its sugar exports this year. Itamaraty has already contacted the Argentine Government to take joint measures. The decision by the U.S. banks is being viewed as a real slap in the face of those Latin American countries that met recently in Cartagena to discuss the foreign debt issue and decided to honor their commitments. This increase is viewed as a sheer provocation at Itamaraty. In the opinion of Brazilian diplomats, this increase shows that the U.S. bankers are seeking a confrontation. This measure has also caused surprise among U.S. economists themselves.

Guerreiro on Increase

PY262332 Brasilia Service in Portuguese 2200 GMT 26 Jun 84

[Text] Foreign Minister Saravia Guerreiro has released a note criticizing the international banks decision to increase the prime rate by 1/2-percent. According to the note, the increase of the prime rate will worsen even more the situation of the (?debtor) countries which are shouldering a heavy burden resulting from the world economic recession, thus undermining [words indistinct] payments to overcome the crisis.

U.S. Asked To Cancel Increase

PY271317 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 27 Jun 84

[Text] In a note released in Brasilia, the Brazilian Government has suggested that the U.S. Government and banks cancel the last interest rate hike. But U.S. Ambassador Diego Asencio does not believe that this will happen. Speaking in Rio de Janeiro, Asencio said that rates will remain high for at least this year. This is how Reagan fincnaces the Treasury deficit without raising taxes. As a consolation, the ambassador said that Brazil should obtain more advantageous terms in the next foreign debt negotiation.

FIGUEIREDO REASSERTS DECISION ON SUCCESSION

PY261600 Sao Paulo Radio Bandeirantes Network in Portuguese 0230 GMT 26 Jun 84

[Carlos Rodrigues report from Brasilia -- live]

[Excerpt] During a meeting held today regarding the presidential succession problem, the main subject discussed was that President Joao Figueiredo has reasserted that he will not resume the coordination of the succession process and that Vice President Aureliano Chaves has set conditions to attend the Social Democratic Party [PDS], leadership meeting scheduled for 5 July.

Amaral Peixoto, acting PDS president, again urged President Figueiredo to preside over the session but the president refused to do so. President Figueriedo reiterated his decision not to coordinate the succession process during a meeting held with students of the War College. Senator Amaral Peixoto stated that the resignation of the four PDS candidates for president is necessary to resolve the party crisis. Amaral Peixoto also met with presidential candidates Aureliano Chaves and Marcos Maciel, who told him that if a prior agreement that will guarantee approval for a primary is not reached, they will not attend the PDS leadership meeting on 5 July or the meeting to elect the new party president.

At the end of the meeting Aureliano Chaves met with the media. He admitted reaching an agreement with Governor Tancredo Neves regarding the presidential succession pointing out that this agreement must be approved by the PDS rank and file in Minas Gerais.

GUERREIRO, CSSR'S CHNOUPEK COMMENT ON RELATIONS

PY251825 Sao Paulo O ESTADO DE SÃO PAULO in Portuguese 22 Jun 84 p 2

[Text] Differences in political, social, and economic systems between Brazil and Czechoslovakia must not present the two countries from uniting efforts "in the defense of common positions that contribute to reducing tensions and to creating an international atmosphere of confidence and respect among nations, based on the aims and principles of the United Nations."

This statement was made by Foreign Minister Saraiva Guerreiro when greeting CSSR Foreign Affairs Minister Bohuslav Chnoupek at a luncheon in Itamaraty on 20 June. Guerreiro believes that the world is currently undergoing " painful moment," and that seeking dialogue "by means of direct contact between authorities" has been one of the aims of Brazilian foreign policy.

The Brazilian foreign minister justified Brazil's decision to reduce imports, "In a world where daily it becomes more difficult for devloping countries to expand their sales and to improve the status of their balance of payments, Brazil has been forced to adopt, as a way to face the serious financial-economic crisis, a policy of reorientation and greater control of imports. Nevertheless, in the particular case of Brazilian-Czechoslovak economic relations, this reorientation has not prevented, I must say with satisfaction, projects useful to both economies from being studied and executed."

In his speech, the visitor attached great importance to this first visit of a Czechoslovak foreign minister: "I am convinced that this first visit of a CSSR foreign minister to Brazil -- in the history of 63 years of mutual relations -- undoubtedly will become a valuable contribution to a new multilateral development of these relations, based on the principles of peaceful coexistence between countries with different social systems."

SAO TOME-PRINCIPE DREIGN MINISTER ENDS VISIT

PY262340 Brasilia Domestic Service in Portuguese 2200 GMT 26 Jun 84

[Text] Sao Tome and Principe Foreign Minister Maria de Graca Amorim ended her 2-day visit to Brazil today. She signed three agreements with the Brazilian Government providing for cooperation in scientific, technical, and cultural fields, and for the creation of a joint commission between the two countries.

After the ceremony held at Itamaraty, Brazilian Foreign Minister Saraiva Guerreiro accepted the invitation made by Maria Amorim to make an official visit to her country on a date to established.

In the joint communique released today at the end of the visit, Saraiva Guerreiro and Maria Amorim rejected the creation of military pacts or treaties in the South Atlantic, and reiterated the idea that the ocean must serve as a peaceful means for trade and cooperation among developing coastal countries.

The two ministers expressed their extreme concern over the international economic crisis, and stressed the need to adopt urgent measures to overcome the fundamental difficulties of the system such as protectionism, high interest rates, recession, and the deterioration of relations in trading of basic products.

'ACCIDENT' DESTROYS IMBEL UNIT IN PIQUETE

PY261451 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 26 Jun 84

[Text] A blast at the Ordnance Industry [IMBEL] plant in Piquete in the Paraiba valley in Sao Paulo, has killed one person, injured four other, and frightened dozens of people. IMBEL reported that unit No 5, which separates glycerine from acid, was destroyed. The blast has caused incalculable damage. The destruction of the nitroglycerine unit halted dynamite production. When the plant will resume operations will be determined today. This kind of accident occurs every 8 or 10 years at the Piquete plant. There were blasts in 1974, 1982, and now. The reasons why the accident occurred have not yet been established.

EDITORIAL NOTES RESULTS OF CARTAGENA SUMMIT

PY270244 Sao Paulo FOLHA DE SAO PAULO in Portuguese 26 Jun 84 p 2

[Editorial: "Cartagena and Afterward"]

[Text] The reports of what happened in Cartagena at the meeting of representatives of 11 Latin American countries with foreign debt problems confirm that the political efforts of the meeting were successful. It should be recalled that this meeting originated from a joint declaration by the presidents of Brazil, Argentian, Colombia and Mexico vowing solidarity in the face of increasing international interest rates. As a legitimate form of pressure on international creditors, this declaration would have been useless unless it were followed up by new moves.

Then came the Cartagena meeting where the initial four countries were joined by seven other countries, and the soldiarity thus demonstrated was put to the test. The divisive maneuvers of the creditors and the unique situation of each debtor country notwithstanding, this first meeting ended without a rupture of solidarity or momentum. These are for the time being at least the main characteristics of the efforts debtor countries are making in order to bring their political pressure to bear in the intricacies of the indebtedness problem. Other results, such as substance and effectiveness can be demanded from these efforts later.

Solidarity did not suffer any dents because diplomacy managed to blend different views into a minimum agenda for joint action. Momentum is guaranteed with the creation of a consultation mechanism for exchanging information and experiences, as well as with the scheduling of a new meeting next September; shortly before the International Reconstruction and Development Bank [IRDB] and the IMF assemblies where certainly the problem of the indebted countries will be in the agendas.

If the timing of the next meeting is intended to politically influence the IRDB and IMF assemblies, the choice of Buenos Aires as the meeting site also seems quite suitable politically. Although news reports revealed that the site choice was made through a drawing, it is obvious that the next meeting may represent support for Argentina, a country challenging the international financial community by repudiating the orthodox rules that community imposes on debtors.

Analyzing the 16 technical points in the final Cartagena document is less important for all the abovementioned reasons. These points deal with the usual demands such as lower interest rates, longer maturities, lower commissions, more resources for the IRDB, less protectionism, improvement of terms of trade for debtor countries and others.

The political results of the meeting are indeed worth noting, and it is reassuring to know that solidarity will continue to be a form of political pressure. Demanding success is not the point at this time, because the journey has just begun. It is good to know that they are already moving in that direction, breaking away from the unjustified passivity mentioned at the meeting.

OAS SUPPORT SOUGHT IN FACE OF U.S. RESTRICTIONS

PY262040 Santiago Radio Cooperativa in Spanish 1715 GMT 26 Jun 84

[Carmen Castro report; date not given -- recorded]

[Excerpt] The Foreign Ministry a few minutes ago released an official communique read by Francisco Javier Recabarren, director of the International Economic Relations Department of the Foreign Ministry, which states:

In view of the possible adoption of restrictive measures against exports of Chilean copper to the United States, and considering the threat it represents to the country, the Chilean Government, with the unanimous support of Latin American countries, has requested that the OAS, through the special consultative commission that studying is the recommendations of the International Trade Commission before adopting any decision in this regard, urge the United States to consider the impact that a restrictive measure against Chilean copper exports would have on the economy and social development of Chile. The communique adds that the OAS is one of the organizations to which Chile can resort. We are sure to find in this organization the solidarity and support of all member countries, and thus to attain the understanding of the U.S. Government, the communique states.

On releasing this communique, Francisco Javier Recabarren stated that the final decision must be adopted by the U.S. President, and added that the position of the Latin American countries will have an influence on the adoption of protectionist policies in this regard.

ECONOMY MINISTER SCORES INTEREST RATE HIKE

PY262125 Santiago Domestic Service in Spanish 1100 GMT 26 Jun 84

[Text] Economy Minister Modesto Collados, in referring to the increase of interest rates, stated that this shows the indifference of creditor and developed countries. The minister first discussed the most noteworthy issues of the Cartagena meeting that was attended by 11 Latin American ministers. In referring to the interest rates, the minister stated:

[Begin Collados recording] We have proposed that the reference rate for [words indistinct] should be the savings interest rate, that is the rate which the banks pay investors for their money. To this interest rate they should add as little spread as possible, if possible no commission, and the risk rate should be negative instead of positive, that is, states should be charged less than individuals because, after all, the states do not die or go broke. [end recording]

The minister emphasized that the Consensus of Cartagena will be the basic document for the renegotiation of the debts which Latin American countries have with international banks and the INF. He added that the use of the savings rate instead of the lending rate would allow Chile to save approximately $800 million per year.

[Begin Collados recording] Nowadays the difference between the two rates is great. I would say that instead of the 14 percent which we are paying today for renegotiating our debt, we could pay 8 percent and this difference between 14 and 8 percent represents $800 million in the case of our country. [end recording]

Minister Collados criticized the increase of the interest rates and indicated that the additional half a point means that Chile will have to pay $86 million this year.

[Begin Collados recording] On one hand the rise in interest rates shows the indifference of creditors and developed countries and on the other hand it proves that the Cartagena meeting was necessary. [end recording]

FOREIGN MINISTER CITED ON BEAGLE, FOREIGN DEBT

PY261556 Santiago Domestic Service in Spanish 1100 GMT 26 Jun 84

[Text] The border conflict with Argentina should be resolved between October and November This statement has been made by Foreign Minister Jaime del Valle. He added that we must be optimistic about the results of the mediation because Argentina is determined to resolve this issue as soon as possible.

The Chilean foreign minister held a private meeting in Colombia with his Argentine counterpart, Dante Caputo. During the meeting the two ministers showed their willingness to find a solution to the dispute before the end of the year. Jaime del Valle said that only now are the Argentine people considering the possibility of accepting [the papal proposal] and determined to reach a solution.

On another subject, Del Valle said that it will be impossible for Chile to pay its foreign debt under the current copper situation. Chile wants to meet its obligations, he said, but with 14-percent interest there will come a time Chile will find it impossible to continue to repay its foreign debt. Foreign Minister Del Valle said that during the Cartagena meeting, attempts were made to make creditor countries aware of the fact that they could not continue to increase interest rates because no country would be able to repay its debts under such terms.

DEPUTY FOREIGN MINISTER TO ATTEND MEETING IN URUGUAY

PY261810 Santiago Domestic Service in Spanish 1100 GMT 26 Jun 84

[Text] Sergio Covarrubias, Chilean deputy foreign minister, has traveled to Uruguay where he will attend the seventh meeting of the Chilean-Uruguayan Special Coordination Commission. Covarrubias is accompanied by Arnoldo Benegas, deputy chief of the Foreign Ministry's Department of General Bilateral Economic Affairs; Liliana Nunez, deputy chief of the Special Policy Department; and other officials of the Foreign Ministry. The private sector is represented by (Oscar Libanos), representative of the Industrial Development Association and president of the Chilean-Uruguayan business committee.

During this joint special coordination meeting the parties will discuss subjects related to the economic, commercial, land transport, scientific, technical, and cultural cooperation fields. The meeting will end next Thursday.

ENERGY MINISTER PRAISES NUCLEAR SAFETY LAW

PY261631 Santiago Domestic Service in Spanish 1100 GMT 26 Jun 84

[Excerpt] Lieutenant General Herman Brady, minister of the National Energy Commission, stated at La Moneda Palace that the recent enactment of the nuclear safety law, which was promoted by the chief of state, responded to the need to establish the necessary legal framework to channel the development of this technology in order to promptly place it at the service of the Chilean community.

Minister Brady has held periodic meetings with President Pinochet since he took part in a convention on nuclear energy in Vienna.

In statements to the media, Minister Brady stated that the importance of the law that was signed by the president of the Republic on the occasion of the nuclear commission's 20th anniversary lies in the fact there cannot be a real nuclear development without adequate a legal framework to support it. Therefore the enactment of the aforementioned law represented the first step to materialize the president's desire to have the tremendous power generated by the atom one of the resources for the country's development. Brady said that, in effect, the use of nuclear energy for peaceful purposes represents a powerful development tool commonly used by various nations.

VENEZUELAN TRADE OFFICIAL MEETS WITH CNT MEMBERS

PY262139 Santiago Radio Cooperativa in Spanish 1715 GMT 26 Jun 84

[Excerpt] (Andres Mercado), representative of the Confederation of Venezuelan Workers [CTV], today made a visit to the members of the National Workers Command [CNT]. After meeting with Rodolfo Seguel, Federico Mujica, Jose Ruiz Digiorgio, and other members of the organization, (Mercado) stated that this command represents a great hope for the liberation of the Chilean people. The Venezuelan labor representative stated: [Begin (Mercado) recording] To liberate the Chilean people essentially means opening a number of possibilities for well being, for liberty, and for democracy for all workers. I am making this visit on behalf of the Confederation of the Venezuelan Workers and people who are living in continuous anxiety, but with much faith, hoping for the future of our Chilean brethren. We know that this long dark era will end sooner or later, and you will be able to live together again, with no exiles, with no winners or losers, but with one single hope to rebuild this country which for we Venezuelans has represented a great deal in the past, because it sheltered those who had to live in exile. [End recording]

SEGUEL FACTION DEFEATED AT PDC UNION CONGRESS

PY252052 Madrid EFE in Spanish 0255 GMT 25 Jun 84

[Text] Santiago, 24 Jun (EFE) -- Railroad workers leader Ernesto Vogel was reelected president of the Christian Democratic Workers Front, defeating the faction headed by union leader Rodolfo Seguel, at the end of the third congress of the union front of the Christian Democratic Party [PDC]. The political platform of the Vogel-led faction was approved by the majority of the 290 participants, who in turn rejected the platform supported by Seguel. Vogel proposed the creation of "a democratic labor confederation" at a national level or else "a number of ideological confederations" (workers organizations, according to Vogel).

The participants in the PDC union congress also agreed to maintain "unity of action" with the Communist Party but not "formalized unity." They also agreed to seal a "social pact" with businessmen and the political parties that head the future democratic government.

The approved political proposal, which defeated the one made by Rodolfo Seguel, president of the National Workers Command, opposes "class struggle."

ECONOMIC SECTORS 'SURPRISED' BY INTEREST RATE HIKE

PA261536 Bogota Cadena Radial Super in Spanish 0000 GMT 26 Jun 84

[Text] Bogata -- Economic sectors were surprised tonight by the decision adopted by international banks, particularly U.S. and British banks, readjusting the interest rates on the Latin American countries' foreign debts. Economist Julio Silva Colmenares said that for several months the public had been aware of the pressure exerted by international banks over the precarious economies of developing countries and of the need to find a new economic order that would enable poor countries to pay off their foreign debts without having to pawn their sovereignty.

Lloreda Remarks

PA270327 PARIS AFP in Spanish 2151 GMT 26 Jun 84

[Text] Bogota, 26 Jun (AFP) -- Colombian Foreign Minister Rodrigo Lloreda, in the wake of the half-point increase in the prime rate by U.S. banks, said today that a special meeting of the finance ministers who signed the Cartegena Consensus is unlikely. Lloreda said that the meeting called for September in Buenos Aires, where the 11 ministers will gather for the second time, "is set for a satisfactory date. and there is no need to make hasty or advance decisions."

He said, however, that the attitude revealed by the U.S. banks proves the need for Latin American governments "to act to correct the devastating effects that the hikes in the prime rate have on our economies." He stressed that "there must be coordination among all Latin American countries in facing this crisis."

He said that the conclusions contained in the Cartagena Consensus should be put into effect immediately, through contacts with creditor countries, presentation of the problem at international forums, and close attention to developments, as "they seriously affect our countries' future."

Finally, Lloreda labeled the prime rate hike "untimely, insensitive, and completely unfortunate."

M-19 OCCUPIES NEWS AGENCY; COMMUNIQUE ON DEBT

PA250045 Bogota Cadena Radial Super in Spanish 1730 GMT 24 Jun 84

[Miriam Gomez Castro report]

[Excerpts] A unit of 19 April Movement [M-19] took over the offices of the PANAPRESS news agency in Bogota to issue a communique supporting the establishment of a bloc of Latin American debtor countries that owe money to international commercial banks. The M-19 unit was comprised of three men and a woman [words indistinct] the agency staff. This station talked with Jaime Sandoval [of the news agency].

[Begin recording] [Gomez] Sir, what were you doing at the time?

[Sandoval] We were here in the office. It was a routine day, without too much activity. The group arrived (?bearing) arms and identified itself as the Alberto Gomez [name indistinct] cell. The group forced us to send an item to New York. They were here for quite some time while it was being punched.

[Gomez] Mr Sandoval, could you summarize the requests made by the M-19 members when they took over your agency?

[Sandoval] [Words indistinct] the serious problem of the foreign debt, which has developed into a crisis because of the voracity of the large international financial institutions, the usurious monopolies. The problem is no longer simply economic [words indistinct]; it has political ramifications. As President Belisario Betancur has said, the foreign debt problem has ceased to be merely financial; it has now become a matter of high-level international politics.

The communique added that an attempt is being made to form a bloc to confront the onerous terms and economic policies imposed on the Latin American countries by the IMF, the industrial development bank [as heard] and other international banks.

In closing, the communique stated that the M-19 feels that where Colombia is concerned, solving the problem requires the participation of the people, of the great national masses, because its independent economic development is at stake. [end recording]

SOLDIER KILLED DURING ARMY-FARC CLASH IN CAQUETA

PA26220 Bogota EL SIGLO in Spanish 25 Jun 84 pp 1, 15

[Text] Florencia, Caqueta -- According to a report from Operational Command No 12, one soldier was killed and two others wounded in a clash between Army regulars and an alleged Revolutionary Armed Forces of Colombia [FARC] column in Cartagena del Chaira, Caqueta. The guerrilla raid took place while members of the Commission for Verification of the Peace Agreement [Comision Verificadora del Acuerdo de Paz] and representatives of the rebel organizations that operate in the country's south are deliberating in the mountains in Caqueta.

Soldier Rafael Hernandez Garcia died and Juan Patino Lopez and Alvaro Fontecha Rodriguez, who belong to a Boyaca Battalion patrol group, were wounded in the clash, which took place on the banks of the Caguan and Guayas rivers on Saturday afternoon.

According to a military report that was released yesterday, the FARC's 14th and 15th fronts have attacked six checkpoints and a military helicopter in Caqueta Department. Four guerrillas and a soldier have died, four soldiers have been wounded, and one soldier is missing in the latest fighting in the area.

'MASSACRE' OF PEASANTS REPORTED IN PUERTO BERRIO

PA262346 Bogota EL ESPECTATOR in Spanish 25 Jun 84 pp 11a, 12a

[Article by Mario Atehortua Garces]

[Excerpts] Medellin, 24 Jun -- A new massacre of peasants has taken place on the La Culebra road in Puerto Berrio, Antioquia, 199 km northeast of this capital. The sources who reported the event told EL ESPECTATOR that four men and a woman wearing clothing similar to National Police uniforms broke into a humble dwelling and shot five members of the Higuita Lopez family to death and seriously injured a sixth family member, who was later treated at a Puerto Berrio hospital.

The murder of the peasants in Puerto Berrio was reported to Antioquia Governor Alberto Vasquex Restrepo, who expressed concern over the resurgence of the violence that had beset the department some years ago.

On the basis of the clothing and weapons used in the massacre, authorities believe the murderers to be members of one of the armed guerrilla organizations that operate in the Middle Magdalena region. Police personnel and Army troops have reportedly been sent to the area to track down the murderers, but as of this afternoon no contact had been made with them.

The murder that occurred in Puerto Berrio and that was reported here today is the first to take place in that sector of the Middle Magdalena region since the truce between the national government and the Revolutionary Armed Forces of Colombia, FARC-OP [as published] went into effect on 28 May.

The Middle Magdalena region, the area of operations for six FARC fronts and several paramilitary organizations such as "The Grasshoppers [Los Grillos]," "The Drunken Ones [Los Tiznados]," and "Embryo [Embrion]," has been peaceful since the truce took effect on 28 May. Peasants from that rich, prosperous region were awaiting the agrarian and social reform promised by the national government and the large-scale public projects that are now under way. However, on Sunday the news of the massacre spread through the municipalities near Puerto Berrio, and area residents again began to feel some disquiet.

BRIEFS

WORLD BANK LOAN -- Bogota -- The World Bank today approved a $200-million loan to Colombia for electricity projects, Antonio V. Ramualdes, World Bank executive director, announced. [Summary] [Bogota EL SIGLO in Spanish 22 Jun 84 p 1 PA]

CSSR ENVOY PRESENTS CREDENTIALS -- Zdenek Pulec, the new Czechoslovak ambassador to Colombia, has presented his credentials to President Belisario Betancur. He was an attache at the embassy in Mexico until 1970 and later served as charge d'affaires at the Czechoslovak Embassy in Madrid [Summary] [Caracas EL NACIONAL in Spanish 8 Jun 84 p D4 PA]

DIPHTHERIA EPIDEMIC -- Pereira -- San Jorge University Hospital officials have detected a diphtheria epidemic at a moment when it was believed that the disease has been eradicated from the region. A young girl has already died. [Summary] [Bogota EL SIGLO in Spanish 12 Jun 84 p 16 PA]

NEW GOVERNOR APPOINTED -- Gustavo Esguerra Gutierrez, a member of the New Liberalism Movement, is the new governor of Cundinamarca Department, replacing Julio Cesar Sanchez. [Summary] [Bogota EL TIEMPO in Spanish 14 Jun 84 pp 1-a, 6-a PA]

FEBRES CORDERO MEETS WITH REAGAN, SHULTZ, OTHERS

PA270316 Quito Voz de los Andes in Spanish 2330 GMT 26 Jun 84

[Excerpts] U.S. President Ronald Reagan today met Ecuadoran President-elect Leon Febres Cordero to discuss ways to increase bilateral political cooperation and to promote the private sector of Ecuador's economy. Presidential advisers said that the meeting was intended to establish a personal relationship and to stress the importance that the United States attaches to its good relations with Ecuador.

Following the meeting, President-elect Febres Cordero said: I presented an analysis of the situation from my country's viewpoint and explained that we plan to develop an open-border policy toward foreign capital.

This is one of Reagan's concerns, though not the only one he shares with Leon Febres Cordero, who is described as a conservative, a strong anticommunist, and a supporter of a market economy.

U.S. sources said that Central American issues were discussed and that the Ecuadoran leader expressed interest in the restoration of peace in the area. Diplomatic circles believe that in this context, Leon Febres Cordero will follow a policy of greater accord with Washington in comparison to those of former governments, while bearing in mind that Reagan could face legislative obstacles.

This morning the Ecuadoran leader visited the Republican leaders in the U.S. Senate. Yesterday afternoon he met with the Democratic leaders who control the Foreign Affairs Committee and the Hemispheric Affairs Subcommittee.

Reagan received Febres Cordero at the White House's Oval Office for a 30-minute meeting, described as pleasant, friendly, and constructive. Before meeting with President Reagan, Febres Cordero met with U.S. Secretary of State George Shultz.

Febres Cordero said that the subject of foreign debt was not discussed at the meeting, although he said during his campaign that he supported a renegotiated agreement with the IMF. A meeting will be held to renegotiate the country's $7-billion debt. The Ecuadoran leader said that this matter should be discussed directly with the IMF.

Leon Febres Cordero also visited the OAS today, promising his support for efforts to strengthen it. Febres Cordero made this statement after meeting with OAS Secretary General Joao Baena Soares, who has also promised to put forth his best efforts for this purpose.

PRIME RATE INCREASE 'STRONGLY CENSURED'

PA260445 Buenos Aires LATIN in Spanish 0226 GMT 26 Jun 84

[Excerpts] Quito, 25 Jun (LATIN-REUTER) -- Ecuador has strongly censured the increase in the U.S. prime interest rate announced today, and warned that there is the risk of a confrontation between debtors and creditors that could soon cause the collapse of world economy.

At a news conference Foreign Minister Luis Valencia, Finance Minister Pedro Pinto and the manager of the Central Bank, Abelardo Pachano, agreed to ask the Argentine Government to call an urgent regional meeting to adopt the specific Latin American measures against its creditors.

"I consider this a provocation by international banking against the developing nations, and, if on this occasion the governments of the industrialized nations fail to take action on the banks' decision, then the developing countries will have to react strongly against such measures," Pinto declared. He added that international banking is leading the debtor countries in adopting radical measures, but discarded any possibility that Latin America, with a global foreign debt of some $350 billion, may form a debtors club or declare a joint temporary moratorium.

Foreign Minister Valencia maintained that the region "must make greater efforts to go to extremes in the dialogue with the governments of the creditor countries, international financing organizations, and private banking." "Otherwise, the only possibility left to us under the present circumstances would be a confrontation of positions, which Latin America does not want, in which not only the developing nations of the region would be the losers, but which would also lead to the collapse of the world economy," he pointed out.

BRIEFS

HYDROELECTRIC ENERGY OUTPUT -- According to estimates, Ecuador will have doubled its hydroelectric energy output between 1979 and 1984. The output in 1979 was 816,000 kw, compared to an estimated 1,686,000 kw in 1984. Official figures also indicate that $32 million in oil byproducts for thermal plants was saved in 1983, while savings for 1984 have been estimated at $71 million. Sources from the power supply sector stressed that in the 5 years of democratic government, power production has made tremendous progress. This transformation in electricity generation has made it possible to supply electricity to 4,806,000 people, or 52 percent of the population, compared to 3,171,000 inhabitants, or 43 percent of the population, in 1979. [Summary] [Quito Voz de los Andes in Spanish 1130 GMT 11 Jun 84 PA]

TAX IMPOSED ON BANK INTEREST INCOME, COMMISSIONS

PY251935 Lima Cadena Panamericana Television in Spanish 0300 GMT 25 Jun 84

[Excerpt] President Belaunde said on 24 June that the president of the Republic is the only person who can conduct the economy under the Constitution.

President Belaunde also confirmed that a 17-percent tax will be imposed on the income obtained by banks from charges on interest and commissions, adding that these funds will be earmarked for wage increases.

COLOMBIAN DEPUTY MINISTER ON ANTIDRUG MEASURES

PY221543 Lima Television Service in Spanish 0430 GMT 22 Jun 84

[Text] The Colombian Government has prohibited imports of substances used in the preparation of cocaine base and has canceled the permits of some private airplanes involved in drug trafficking.

This statement was made by Colombia Deputy Justice Minister Nazly Lozano Eljure, who arrived today in Lima to participate in the first Colombian-Peruvian antidrug meeting to be held in Lima.

[Begin recording] [Lozano] This agreement has three fundamental points: 1) prevention; 2) rehabilitation; and 3) repression.

[Unidentified reporter] Can you tell us more about repression?

[Lozano] Well, the repressive corps of the two countries must work together, to exchange intelligence data and to carry out some joint actions in border areas, for example.

[Reporter] Dr. Lozano, do you think there is a relationship between drug trafficking and terrorism which is adversely affecting several countries in Latin America?

[Lozano] Well, I do not know whether the situation is the same in all countries, but an apparent agreement between the Colombian guerrillas, some subversive groups and drug traffickers has been detected in Colombia.

[Reporter] Can you tell us about some fundamental steps adopted by the Colombian Government to fight drug trafficking?

[Lozano] Well, imports of products used for manufacturing cocaine such as ether, hydrochloric acid and sulfuric acid have been prohibited. The use of these products has also been restricted in the country. Many seminars have been held in this regard.

Regarding airplanes, we have detected approximately 250 airplanes whose permits for navigation have been suspended, because somehow or another we discovered that they belong to drug traffickers or were used by traffickers.

[Reporter] In view of the murder of the Colombian justice minister, the Colombian Government has adopted a number of measures to counteract drug trafficking. Have these measures yielded some positive results?

[Lozano] Well, regarding those who are involved in the murder of the minister, there are three persons under arrest now. Regarding the traffickers, some have been detained, but most of them have escaped from our country. We believe they could be living in some neighboring countries, such as Ecuador, Peru, or Brazil.

[Reporter] Do you think that Latin America countries could form a common bloc, with the imp tant participation of the industrialized countries, to fight this scourge against mankind?

[Lozano] Of course. Colombia is advocating this point, urging all countries throughout the world to reach an agreement on this because it entails an international crime, because drug traffickers operate independently. They have no country, religion, or nationality. Money is the most important thing for them. [end recording]

SHINING PATH TERRORISTS KILL POLICEMAN, PEASANTS

PY232106 Madrid EFE in Spanish 0320 GMT 23 Jun 84

[Text] Lima, 22 Jun (EFE) -- Police sources have reported that a civil guard was killed and 12 other persons were injured as a result of several terrorist attacks tonight in the Andean Department of Ayacucho.

The dead policeman, whose last name is Ubilluz, and 4 other injured policemen were the victims of an attack with bombs and firearms carried out by some 200 terrorists against the civil guard station in Luricocha, a town 60 km north of the City of Ayacucho.

The police reports state that the terrorists were for the most part minors, some of them wearing school uniforms, and that they were led by a woman.

Tonight eight other people were injured as a result of six blasts that occurred throughout the City of Ayacucho, 575 km southeast of Lima. The blasts, which alarmed the people, also caused serious damage to several buildings. It was reported at the Ayacucho hospital that the injured people were hit by bomb fragments and by glass splinters.

It has been a long time since the departmental capital was the target of this kind of attack.

A total of 19 campesinos were killed by the "Shining Path" terrorist organization last Wednesday in the town of Tambo, Ayacucho Department. Twenty-one other campesinos were slain in La Mar Province, Ayacucho Department, on 8 June.

FOREIGN INTERFERENCE IN DOMESTIC AFFAIRS REJECTED

PY270130 Montevideo Radio Carve in Spanish 0000 GMT 27 Jun 84

[Excerpts] The State Council today rejected the meddling of foreign governments in Uruguayan domestic affairs, and condemned the trip of Silvia Ferreira [Wilson Ferreira Aldunate's daughter] to Portugal.

[Begin report from Legislative Palace] The plenary session today unanimously approved, with a standing ovation, a State Council statement rejecting any foreign interference in Uruguayan domestic affairs. [end recording]

PARTIES REACT TO 'FREE ELECTIONS' STATEMENT

PY262043 Paris AFP in Spanish 1412 GMT 24 Jun 84

[Excerpt] Montevideo, 24 Jun (AFP) -- The remarks made by Uruguayan Foreign Minister Carlos Maeso in Cartagena, Colombia, that the military government will hand over the government in 1985 after free elections, without restrictions, provoked shock and disbelief in political circles.

Colorado Party members said that the government found a spokesman who does not have much authority because he does not represent anything or anyone, adding that the Army commander is the only one with an authorized opinion.

Jorge Sapelli, former vice president of the Republic who is also a member of the Colorado Party, said that he is amazed at Maeso's remarks because the situation in the country is obviously to the contrary. We hope that he is right, said Sapelli, because the holding of national free elections without restrictions is what all Uruguayans want.

Guillermo Garcia Costa, high-ranking member of the National or Blanco Party which is a staunch enemy of the current military government, said that Maeso's statement is important if it represents the position of the Armed Forces, an organization to which our foreign minister does not belong. He emphasized that free elections mean elections without proscription of politicians or parties and that the foreign minister's statement could mean that National Party leader Wilson Ferreira Aldunate would be released soon, before the date of the upcoming elections.

WORKERS PLENUM ORGANIZES 24-HOUR STRIKE

PY262226 Madrid EFE in Spanish 2126 GMT 26 Jun 84

[By Alberto Pepe Leira]

[Excerpts] Montevideo, 26 Jun (EFE) -- The Uruguayan military regime will tomorrow confront the second general strike this year in an environment of growing political tension. The general strike was called by the main labor organization, the illegal Interunion Workers Plenum, with the support of all the legal and proscribed political parties, which have organized a 24-hour citizen stoppage.

Today the military regime said through the Interior Ministry that "freedom to work will be guaranteed" to people who report for work.

Minority civilian sectors which support the de facto government have exerted pressure on the population and companies to carry out their activities normally.

The cities have been flooded with leaflets calling on the people "to shop the day before" so that no one will out into the streets, in this manner showing their repudiation of the regime.

The interior minister said that sanctions for public employees who do not go to work tomorrow are under study. He recalled that "when Ferreira Aldunate was agriculture minister he took away 3 days of salaries for every day of strike."

'Freedom of Work' Guaranteed

PY271149 Montevideo Radio Carve in Spanish 0930 GMT 27 Jun 84

[Text] The Interior Ministry will guarantee freedom of work throughout the nation. Here is the text of an Interior Ministry communique in this regard:

In the wake of pressure to prevent workers and employees from reporting to their jobs as a result of the so-called civic strike set for today, the people are hereby informed that this ministry will adopt the necessary measures to guarantee freedom of work throughout the nation.

Broad Front Buenos Aires Rally

PY262110 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1405 GMT 26 Jun 84

[Excerpt] Buenos Aires, 26 Jun (NA) -- The Broad Front of Uruguay has called for a rally at the Obelisk tomorrow, 27 June, on the day of the 24-hour public stoppage against the regime of General Gregorio Alvarez. According to the announcement, representatives of the National (Blanco) Party, the Colorado Party, and Uruguayans residing in Argentina will participate in this rally.

Nelson Alonso, acting head of the Broad Front, made the announcement last night when he also emphasized the need for the Uruguayan Government "to lift the ban on Wilson Ferreira Aldunate, leader of the National Party, and General Liber Seregni, head of the Broad Front."

IAPA MEETING DEMANDS LIFTING PRESS RESTRICTIONS

PY270237 Paris AFP in Spanish 1332 GMT 26 Jun 84

[Excerpts] Montevideo, 26 Jun (AFP) -- The Executive Committee of the Inter-American Press Association [IAPA] has asked the Governments of Paraguay and Uruguay to lift the restrictive measures preventing the exercise of freedom of the press. In a statement issued in Montevideo, where it is holding one of its quarterly meetings, the IAPA committee stated that rules and practices restricting freedom of the press and the people's rights to information are still in effect in Uruguay.

The IAPA states in its document that the government must urgently abolish such norms and lift the temporary or definite closures imposed on the affected publications and not impose any more sanctions, sanctions which are within the exclusive jurisdiction of the judicial branch.

The meeting of IAPA's Executive Committee ended today with the publication of a general report, several statements on some countries in particular, and some resolutions related to the domestic functioning of IAPA.

FERREIRA ALDUNATE REJECTS PARDON, DEMANDS RELEASE

PY261858 Montevideo Radio El Espectador Network in Spanish 1600 GMT 26 Jun 84

[Excerpts] Dr Uruguay Tourne, one of Wilson Ferreira Aldunate's lawyers, has told El Espectador, Radio Sport, and Cadena de Oro that Aldunate will not accept a presidential pardon. Tourne said that Ferreira Aldunate, a Blanco Party leader who is standing trial, demands that he be released after the courts declare that he is not guilty. The lawyer reported that they have already requested that the case be heard by the lower military court duty judge. He added that the military courts are handling the case normally. He reiterated that what the president of the Republic said is not true.

[Begin recording] [Unidentified reporter] Dr Tourne, is it true that Ferreira Aldunate is not willing to accept a government pardon?

[Tourne] That's right. Ferreira wants this case solved in the only way it must be solved, that is, by declaring that he has committed no crime.

[Reporter] Why do Ferreira Aldunate's lawyers insist that the charges leveled against him are of a political nature?

[Tourne] The analysis of the charges clearly reveals that such superficial accusations have been leveled mainly because of the actions that Ferreira Aldunate undertook abroad against the Uruguayan de facto regime and because of his struggle, which began in 1973 and continued in exile until 16 June 1984.

[Reporter] In connection with the charges that have been leveled against Ferreira Alduante on his alleged links with subversion, could his lawyers make the evidence public?

[Tourne] We published the evidence through various media. Aldunate has categorically denied that he had any sort of subversive contacts. Both Ferreira Aldunate and his lawyers have rejected the charges.

[Reporter] Does that mean that what the president of the Republic said a few days ago is not true?

[Tourne] Right. What the president of the Republic said a few days ago when he mentioned charges that are not even in the case folder is not true. [end recording]

ANTEL REFUSES TO SEND NATIONAL PARTY TELEGRAMS

PY262141 Paris AFP in Spanish 1359 GMT 26 Jun 84

[Excerpt] Montevideo, 26 Jun (AFP) -- The National (Blanco) Party Directorate has denounced the refusal by an agency of the government to receive and transmit several international telegrams. Members of the party directorate said that those telegrams were intended to express thanks for the demonstrations of support for Wilson Ferreira Aldunate, National Party president, and his son Juan Raul Ferreira, president of the dissolved Uruguayan Democratic Convergence (CDU).

According to our information, the National Telecommunications Administration (Antel) has refused to receive and transmit those telegrams, an attitude which party spokesmen branded as another instance of systematic aggression.

FINANCE MINISTER ANALYZES CARTAGENA AGREEMENTS

FL261316 Mexico City NOTIMEX in Spanish 2005 GMT 25 Jun 84

[Text] Buenos Aires, 25 Jun (NOTIMEX) -- Secretary of Finance and Public Credit Jesus Silva-Herzog believes that the results of the Cartagena conference should not be interpreted as a Latin American agreement to pressure [words indistinct]. Silva-Herzog, who was interviewed by the Argentine daily EL CLARIN, analyzed the agreements reached in Cartagena after 2 days of deliberations by the ministers of finance and foreign affairs of 11 Latin American debtor nations: I consider that there are no simplistic solutions or magical formulas for the problem of Latin American foreign debt, but at Cartagena we managed to demonstrate the magnitude of the problem and the concerns generated by the size and conditions of the debt. We made progress in the way to consider the problem and are confident that this progress will accelerate in the next few months. We did not progress on the pressure [as received] but rather on the analysis of what can and cannot be done, the Mexican official said. The creditor nations and the international banking system should consider our thoughts and proposals. I do not believe they will ignore us, he said. Silva-Herzog said that there is a possibility that interest rates will continue to rise and that this would worsen the foreign debt problem. But the interest rate corresponds to internal decisions of the U.S. Government, which does not give sufficient consideration to the effects that its decisions have abroad.

When questioned by EL CLARIN regarding internal adjustments made by Mexico for debt payment -- adjustments which have been described as successful by creditor organizations -- the secretary of finance said that Mexico had made a big effort, an effort to shore up its public finance and foreign trade and an effort to control inflationary pressures, all within an action program created and implemented by us, the Mexicans. Mexico's situation is not different from that of other countries. Mexico is carrying out its adjustment program of economic reorganization but we definitely have a serious foreign debt problem and a very sensitive debt servicing charter, he concluded.

Comments on Prime Rate Increase

FL261558 Mexico City NOTIMEX in Spanish 0336 GMT 26 Jun 84

[Text] Mexico City, 25 Jun (NOTIMEX) -- Secretary of Finance and Public Credit Jesus Silva-Herzog believes that the 1/2-percent increase in the U.S. prime rate announed today will be harmful to the Mexican foreign debt and will have repercussions on the nation's economy. He said this during a brief interview at the inauguration of a meeting of circuit court magistrates. Independent of the finance secretary's statement, with the increase in the prime rate interest payments on the Mexican foreign debt will increase by $500 million. For this reason Mexico will have to pay $2 billion more in 1984 because of the four 1/2-percent increases so far this year.

It should be remembered that at the Cartagena conference the 11 Latin American nations with the largest foreign debts agreed on [the need for] urgent measures leading to a drastic and immediate reduction of the nominal and real interest rages on international capital markets. The new increase constitutes a negative response to the demands of the Latin American debtor nations. According to the finance ministers meeting in Cartagena, any further increase in U.S. interest rates would give rise to a very urgent meeting to study the repercussions of such an increase on the economies of their countries. According to ECLA data, it can be estimated that regional interest payments made in dollars to the international banking system have sextupled from 1977 to the present date.

ARDITO DISCUSSES PRIME RATE INCREASE

PA261440 Panama City Domestic Service in Spanish 2303 GMT 25 Jun 84

[President-elect Nicolas Ardito Barletta press conference at Atlapa Convention Center in Panama City -- live]

[Excerpt] [Question] I am Olaciregui from Radio Nacional. Continuing with the question asked by the colleague from the XINHUA NEWS AGENCY on the foreign debt issue, in Cartagena 11 Latin American governments signed a document, the Consensus of Cartagena, at midnight on Friday. Among other things, in this document they demanded a drastic reduction in preferential interest rates established by U.S. banks. Apparently, in a response to or punishment for this demand, the U.S. banks have increased these rates by half a point more. What is your opinion about this, as you have said that Panama must support Latin America in this regard?

[Ardito Barletta] The truth is that the two matters have no relation. The proposal of our countries, those of Latin America, is valid and important and deserves full attention.

The increase and variation in the interest rate in the financial market is not the result of an action by any bank. It is a result of the monetary supply and demand in the United States and at the international level. Therefore, the increase announced today is coincidental with the request made by the Latin American countries. To put this request into practice, I think that the central banks of the main countries of the world -- and this must be taken seriously -- the United States in particular, Japan, Europe, and Canada, must adopt monetary and fiscal policies that permit a reduction in these interest rates. Therefore, this is the most important aspect, and I believe that we must continue to insist on this aspect in order to see that interest rates will not smother the possibility of an economic recovery in Latin America.

Aside from this, there are other financial mechanisms that could be used to alleviate, temporarily, the burden of interest rates on the financing of the Latin American foreign debt. However, talks are under way in this regard, and we hope to see results. The most important aspect, however, is the actions of central banks. If these actions are taken, we would have results -- not immediate, because it would take a few months. So I want to stress that what occurred today, in relation to what occurred on Friday, is purely coincidental.

BRIEFS

HAVANA-PANAMA FLIGHTS CANCELED -- Carlos Perez, the Panamanian consul in Miami, has announced that the Panamanian Government has canceled the Havana-Panama flights transporting refugees, because of the illegal sale of visas by unscrupulous persons. He added that the issue is being investigated by the government. [Text] [Panama City LA ESTRELLA DE PANAMA in Spanish 23 Jun 84 p A6 PA]

MAYOR-ELECT NAMED -- The Panama District Vote-Counting Board this afternoon proclaimed Jilma Noriega de Jurado as mayor-elect of the capital district. [Summary] [Panama City Televisora Nacional in Spanish 2300 GMT 13 Jun 84 PA]

BELIZE

GOVERNMENT ASSUMES CONTROL OF SUGAR INDUSTRY

PA261933 Guatemala City EL GRAFICO in Spanish 24 Jun 84 p 4

[Text] The Belizean Government has assumed control of Belize's sugar industry. With a production of 105,000 tons [no time period given], sugar is the country's principal source of foreign exchange. Official sources reported that the move comes in response to the British transnational Tate and Lyle's threat to pull out of the business. The Belizean Government purchased 75 percent of the Belize Sugar Industry, BSI, stock. Tate and Lyle, which has held a monopoly over the sugar industry for the past 20 years, will retain 25 percent of its capital.

According to the agreement signed by Belizean Premier George Price and a Tate and Lyle representative, the British firm will continue to head the industry's production and marketing.

The British sugar company announced its decision to pull out of the business at the end of 1983, alleging that the fall in the international price of sugar had produced losses in the millions in the past 3 years. The Belizean Government plans to sell its stock to the country's 4,000 businessmen on the Belize stock exchange.

BRIEFS

PANAMA CANAL NEUTRALITY PROTOCOL -- Panama, 22 Jun (IPS) -- The Government of Belize has signed the Panama Canal neutrality protocol, opened to all nations of the world at OAS headquarters in November 1979, it was officially announced here today. Thus, Belize becomes the 25th nation to endorse the document. [Rome IPS in Spanish 2143 GMT 21 Jun 84 PA]

EL SALVADOR

DUARTE CALLS FOR AUSTERITY, REJECTS STRIKES

PA270254 San Salvador Domestic Service in Spanish 0300 GMT 26 Jun 84

[President Jose Napoleon Duarte's speech at Presidential Palace in San Salvador on 25 June -- live or recorded]

[Excerpts] In regard to our economic situation: The past government indicated that the country was undergoing a process of recovery and that the 3-percent growth rate had been surpassed. This information, which was supplied a few months ago, tells us that there is now a 2-percent macroeconomic growth rate. However, it is important to understand that this 2-percent growth rate does not reflect the facts of our progress, the improvement in our economy, because it includes factors such as international aid, donations, and loans that we have obtained. To secure genuine macroeconomic growth we must have a more rapid production process, which is why the production measures and other measures we have to adopt are important in improving the country's economic situation.

Inflation is another important factor that must be understood. I have reports indicating that the inflation rate fluctuates between 14 and 15 percent.

The balance of payments deficit has improved somewhat. It has been reduced to 250 million [currency not specified] because of donations that we have received. Foreign aid and loans have increased from 250 million to 400 million. This year, our imports -- pay close attention to this, so that you may see the difficulties that we face -- will increase to 2,452,000, meaning a deficit of 412 million colones in assets. Based on these economic indicators, we must conclude that the country is ill and that our economic situation is not good. However, this should not prevent us from facing it and developing. We are forced to adopt a national policy in which all Salvadorans understand that to resolve these economic problems we must contribute our work, our crops, and our production, and we must also help by saving and being careful not to spend unnecessarily. A personal policy for the Salvadorans, a national austerity policy, is what we need to advance in this economic process.

The fiscal situation presents a critical and difficult panorama. This year's budget, already approved by the Legislative Assembly, is 396.4 million colones higher than that of last year. This means that this year we will be spending more money than we did last year. We will spending 400 million more than last year. However, estimates for this year's fiscal revenues show a decrease of 246 million, which tells us that we are spending more and that our revenues will be lower. If we add to this the fact that there has already been a wage increase that produces an additional 90-million-colones deficit, along with the fact that all of the ministries reported a deficit and that all government employees' wages have been increased, we have an addition of 150 million colones to our deficit. If we were to add all of these figures, it would result in an 850-million deficit in our 1984 budget. Where are we going to get that money?

I am faced with the unfortunate fact that spending has been so heavy in the past 6 months that practically nothing has been left for the next 6 months. To face this fiscal problem, I have asked all of the ministers to present draft austerity programs. I have here two documents: a ministry by ministry study, to be presented to the people by each minister; and the economic decree on fiscal austerity, which contains 29 articles in which I have issued instructions to all ministers, government employees, presidents and directors of autonomous institutions, asking them to put forth special efforts in this austerity process.

There is no doubt that the situation I am depicting for the people today has been known not only to those who were or are in government, but also to the Marxist subversive sectors in our country. They are aware that the fiscal problem is our weak point, which is why they have chosen this precise moment, when the country is putting forth its effort to secure democracy, to carry out their destabilization campaign.

Those sectors are not interested in giving the government an opportunity to stabilize itself. They want to create crises early in this government's tenure, which is why they have planned strikes such as the postal strike, today's National Administration of Waterworks and Sewers [ANDA] workers' strike, and others. In addition to the fair demands presented by the unions, these strikes have political undertones. They are an attempt to create a fiscal crisis in the country. They want the government to arrive at a dead end, because by achieving this, they will have the necessary political preparation for their destabilization process, which is part of their plans for a military offensive planned for the next few days.

For this reason I am asking the government employees not to heed them, to give us an opportunity, for we will try to find adequate solutions to our problems. Do not contribute to the destabilization of the country. I urge the postal workers and the ANDA workers to return to work. Help the Salvadoran people to understand the uncertainty that this tension can create in the country. You have our commitment that we will search for honest and sincere solutions to these problems.

Salvadorans, this has been my message to you for this month. I have given you a brief summary of the country's economic and fiscal situation, which serves as a foundation for the ministers [words indistinct] to present you with the details. I have explained the dangers of a strike to you. This strike movement is being promoted within the government and autonomous institutions in an effort to destabilize and weaken the government, and it is for this reason that they have carried out violent actions on the highways in support of these strikes. They are burning buses to support the strike and Radio Venceremos is broadcasting messages to support the strike. It is clear that this strike movement responds to a (?plan of aggression).

I am convinced that the people will have faith in me, and in the fact that I am doing what I must in my search for peace. This is why I am here with you today. Thank you, Salvadoran people, and good night.

Postal Workers Leader Responds

PA270320 San Salvador Radio Cadena YSKL in Spanish 1730 GMT 26 Jun 84

[Raul Beltran report]

[Text] The secretary general of the Union of Salvadoran Postal Workers has spoken out in response to President Duarte's comments. The labor leader said at the Central Post Office this morning that it is regrettable that many Christian Democrats today are in the frustrating position of being accused by their own president, their own leader, of being communists. The secretary general of the postal workers union, reiterating to President Duarte that his union has not been subject to any leftist instigation, made the following statement:

[Begin recording] [Beltran] What do you think is the reason for the president's charge that your movement has been inspired by leftists, and what is the basis for his charge that the workers are communist?

[Answer] I believe that this policy is designed to evade the issue of the labor conflict in the postal system. We have absolutely nothing to do with the guerrilla problem; we are concerned only with the problems affecting the postal system. This is entirely a labor issue. We only want our problem to be solved; we have no desire to be linked to other activities that are completely removed from our aspirations. Therefore, we would like the government authorities, specifically the president and the interior minister, to change their policy and to look for a way to resolve the government workers' problems. [end recording]

COPREFA STRESSES TERRORISM FMLN'S 'TERRORIST NATURE'

PA261548 San Salvador Radio Cadena YSU in Spanish 1800 GMT 25 Jun 84

[Armed Forces Press Committee, COPREFA, "report"]

[Text] Disheartened by increasingly harsh and extensive condemnation by the peoples of the world, FMLN spokesmen in various countries are desperately trying to deny a painful reality: their terrorist nature. The representative of that extremist coalition in San Jose, Costa Rica, recently stated that the FMLN-FDR is not a terrorist or irresponsible organization. If this were true, the following condemnable actions would not have taken place:

A total of 10 peasants, including women, children, and senior citizens, died when terrorist groups attacked their train in San Antonio Grande on 27 February 1984.

Rafael de los Angeles Cornejo and Joaquin Arnoldo Perez Salinas, Salvadoran Red Cross volunteers, were killed when their ambulance was attacked as it was going from Verpaz to Guadalupe on 6 March 1984.

Amparo Cubillas, 6 years old, and two relatives were killed by indiscriminate terrorist fire in San Sebastian on 9 April 1984.

Linda Cancel, a U.S. citizen, was killed by the extremists near Jocoro on 26 January.

The list of murders, kidnappings, attacks, destruction of job sources and public buildings, sabotages, and threats does not end there. These are just a few cases that the public cannot deny. Without question, this is terrorism, and it distresses the world and the Salvadoran people. If, in the face of this truth, any member of the extremist coalition feels annoyed or uncomfortable about his own situation, the decision is in his hands. He can decide to leave that path of destruction and death and join, without conditions, the democratic process begun by the Salvadoran people. Perhaps then they can recover peace.

TELEPHONE, POWER LINES DAMAGED IN EXPLOSIONS

PA261527 San Salvador Radio Cadena YSU in Spanish 1200 GMT 25 Jun 84

[Excerpt] Here is a report on national events. At approximately 0730 four explosions were heard in the northwest section of San Salvador, in the Miralvalle, (Satelite), and San Antonio Abad neighborhoods. Marcos Aleman, one of our reporters, is already in the area to obtain information on the four explosions that were heard this morning.

We have also been informed that at approximately 2300 last night guerrillas staged a 15-minute harassment of the guards stationed on the Acelhuate bridge. The attack began on the southern and northern sides of the bridge, over the Acelhuate River, located at the entrance to the town of Aguilares, north of San Salvador. There are no reports of casualties.

It has also been reported that high-tension wires were destroyed at 1800 yesterday, the country's northern region is once again without vital electricity service. According to the reports, Chalatenango Department and northern San Salvador Department, including Guazapa and Aguilares, are without power. We will be giving further reports on this situation.

Reports from the eastern region indicate that this morning the Army began heavy shelling of guerrilla positions north of the Torola River. According to the reports, there was heavy fighting last night between the guerrillas and the soldiers in that area of the country.

VENCEREMOS REPORTS SABOTAGE IN SAN SALVADOR

PA261346 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 26 Jun 84

[Text] While in Usulutan Department our special units have inflicted 58 casualties, including dead and wounded, on 6th Infantry Brigade troops, in San Salvador, the capital city, our urban commandos are active. Attention to this report on the continuation of our sabotage actions in San Salvador.

This morning at 0730 FMLN urban commandos detonated bombs at the National Administration for Telecommunications facilities in San Salvador's Miralvalle neighborhood. We repeat, bombs were set off by FMLN urban commandos in Miralvalle neighborhood, San Salvador, at Miralvalle (?Boulevard) and Rotterdam Street, destroying two telephone junction boxes. At the same time, our urban commandos sabotaged two other telephone junction boxes in the (Satelite) neighborhood as part of a series of sabotage actions that our urban commandos have continued to carry out in the country's capital, San Salvador, despite the vigilance that the repressive corps maintain over San Salvador's main arteries.

FARABUNDO MARTI SEES ARMY ATTACKS ON CIVILIANS

PA221723 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 0100 GMT 22 Jun 84

[Text] Attention, Salvadoran people and other people of the world: The engineer of intervention [President Duarte] is also the architect of the genocide being waged against the Salvadoran people.

During a 10-day counterinsurgency operation in Jiquilisco, in Usulutan Department, the regime's forces dropped 300 bombs on the civilian population. Some 60,000 pounds of explosives were dropped by the planes that Reagan has provided the puppet Durate regime. The government troops also captured 13 peasants, including women, children, and elderly people, whose current whereabouts are unknown.

As a result of an operation that just concluded in the Cinquera region of Cabanas Department, the regime's Army destroyed 38 houses, 10 manzanas of corn, and 1 manzana of beans. The regime's troops also captured 13 peasants in that region.

The elite Ramon Belloso Battalion, trained by Yankee advisers, has captured 13 peasants. Their whereabouts are unknown. The peasants are Jesus Hernandez, 70; Rafael Garay, 62; Candelaria Garay, 30; Antonio Garay, 50; Aquilino Funes, 55; two young men whose first names are William and Roberto; and six children. These peasants, most of them elderly people and children, were captured on 18 June in the Canton of San Nicolas, the Municipality of Cinquera, in Cabanas Department.

GUATEMALA

MEJIA REITERATES STANCE ON PROVISIONAL PRESIDENT

PA260432 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 26 Jun 84

[Text] Only 5 days before the elections for constituent assembly seats, the Guatemalan Army has reiterated that it will not accept a provisional president.

Today, General Oscar Mejia Victores, chief of state of the Guatemalan military government, reiterated that the Army will not accept a provisional president who could be appointed by the constituent assembly which will be elected on 1 July. He stressed that the military government's call for elections for constituent assembly seats was made solely for this assembly to issue the country's new constitution and other constitutional laws.

Mejia Victores thus rejected remarks by various political leaders who stated that the constituent assembly will have sovereign power given by the people, and that with this power it would have the authority to appoint a provisional president if it so desired.

Newsmen asked Mejia Victores what the government's reaction will be if the constituent assembly decides to appoint a provisional president. He replied: We would bring them into line. [los alinearemos] He was thus referring to deputies of the constituent assembly. He refused to specifically answer if the Army would dissolve the constituent assembly in the event of a confrontation with the military government if a provisional president is appointed. He said that even if he was the appointee, he would not be interested in it, thus indicating that he holds the power.

FCD REJECTS RESTRICTIONS ON CONSTITUENT ASSEMBLY

PA260442 Guatemala City PRENSA LIBRE in Spanish 24 Jun 84 p 4

[Text] The Civic Democratic Front [FCD] has described as inadmissible the warning issued by Head of State General Oscar Mejia Victores to the future national constituent assembly, to the effect that the assembly will not be able to approve measures that were not included in its mandate, FCD Secretary General Danilo Barillas said yesterday. He added that it made no sense to call for the election of an autonomous body and at the same time, tell it that it is not free to adopt its own measures.

The FCD believes, Barillas added, that the constituent assembly to be elected on 1 July is an autonomous body, and any warning from another government branch must be rejected outright. As is well known, during an unscheduled national radio network broadcast, Gen Oscar Humberto Mejia Victores said that the national constituent assembly was convoked solely for the purpose of promulgating the Republic's constitution and its constitutional laws, the electoral law, and the habeas corpus law. The head of state's comments have provoked varying reactions from the political parties.

PSD EXPLAINS REJECTION OF ELECTORAL PROCESS

PA261353 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 25 Jun 84

[Socialist Democratic Party, PSD, advertisement]

[Text] The PSD, reflecting the feelings of most of the Guatemalan people, announces that it does not believe in the electoral process:

1. Because we believe in free, honest elections as a mechanism to establish democracy in Guatemala and to help to strengthen social peace; however,

2. At present, the conditions promised by the Army have not materialized, and there are no guarantees for a truly democratic left to express itself in the elections and to politically confront the traditional right wing. Nevertheless,

3. Such guarantees could exist if the Army and the dominant sectors were genuinely inclined to create political conditions that really permit the participation of all the political ideologies that exist in our society. Therefore,

4. The constituent assembly to be established will not be representative of the people and will not have either the opportunity or the competence to exercise real power. Power will remain in the hands of the military government, which will promote another constitutional dictatorship and continue to subjugate the Guatemalan people.

Let us struggle for democratization! No to constitutional dictatorship!

[Signed] PSD National Directorate

ARMY CAPTAIN KILLED IN ATTACK ON CITY STREET

PA261608 Guatemala City PRENSA LIBRE in Spanish 23 Jun 84 p 8

[Excerpt] Army Captain Alfredo Rivas Rodas, 54, who was head of a Mobile Military Police [PMA] squad in charge of National Electricity Institute [INDE] security, was machinegunned to death yesterday at approximately 1340 by unknown individuals who fired from a vehicle that has not been identified. The officer was shot as he was getting into his car on 13th Street, between 4th and 5th Avenue, in Guatemala City's Zone 1.

POLICE CARRY OUT 'CENSUS' TO CONTROL VIOLENCE

WA271230 Rome IPS in English 20 Jun 84

[Text] Guatemala City, June 20 (IPS) -- The Guatemalan police are registering citizens in their homes as part of a campaign to control violence, Interior Minister Gustavo Lopez Sandoval said here today. Lopez Sandoval was answering questions from reporters on numerous reports from Guatemalan citizens that policemen have come to their homes asking for their names, occupation and the number of people living in the residence. Asked why the police were carrying out what is in effect a census that would normally be the responsibility of the government's statistics agency, the minister replied that the police registry has been carried out in compliance with the law. Lopez Sandoval said that the police "census" is part of "new police techniques to try to protect the population against general violence." Several Guatemalan organizations, including the Catholic Church and the university in Guatemala City, have noted an increase in violence in the last week.

Meanwhile, a letter from a group of political prisoners to the Guatemalan attorneys association was made public today.

The prisoners were sentenced by controversial special courts, which functioned from July 1982 to August 1983, on charges of having shot 15 people to death. They said that during the trial "we were subject to all kinds of pressure, blackmail and abuses of power" by two attorneys who "forced us at gunpoint to sign confessions prepared by them during the investigations." The special courts were controversial because their locations and the names of the judges were kept secret. The courts were abolished when President Gen. Efrian Rios Montt (1982-82) was overthrown in August 1983 and Gen. Oscar Mejia Victores assumed the presidency.

The Inter-American Human Rights Commission of the Organization of American States had challenged the courts' legality, and after a visit to Guatemala, objected to the fact that the courts' rulings were not subject to appeal. The prisoners asked the attorneys' association to pressure the government to make good on a promise to review their cases.

HONDURAS

AGREEMENT SIGNED WITH NICARAGUA ON DEBT

PA261534 Teguciagalpa Voz de Honduras Network in Spanish 1145 GMT 26 Jun 84

[Text] The Governments of Honduras and Nicaragua recently signed an agreement through which the Nicaraguans were granted a period of 7 years to pay off the interest on a $32-million debt. The Nicaraguan debt interest amounts to approximately $3 million.

Honduran Central Bank President Gonzalo Carias described the agreement as highly satisfactory because Nicaragua does not have the foreign exchange to pay debts contracted with other countries of the area which amount to dozens of millions of dollars. Nicaragua acquired this debt with Honduras through the import of several products that were not paid off in cash and accrued interest when they were refinanced.

ARMED FORCES INVESTIGATING CARRIZALITO INCIDENT

PA262020 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 26 Jun 84

[Excerpts] The probe into the Carrizalito incident, in which the Army killed several people under the assumption that they were subversives, has begun. It has been confirmed that they were Public Security Force, FUSEP, agents carrying out personal orders from FUSEP's director in Danli. The investigation is under way. Here is a report from Siguatepeque by our correspondent Salvador Medina.

[Medina] This is an exclusive report for Cadena Audio Video. Investigations have begun into the incidents at Carrizalito, near Siguatepeque, in which five people were killed, three of whom were accused of participating in alleged guerrilla activities. We inform the Honduran public that members of the special commission appointed by the Armed Forces High Command traveled to the scene last Friday. After meeting with several residents in the area and relatives of one of the victims of this tragic incident, the military commission went to the facilities of the 1st Engineering Battalion, where they met with Colonel (Montes Nunez), commander of this military unit. As expected, the report on the investigations carried out by this commission will not be known until the military command issues an official bulletin.

NATIONAL PARTY CREATES GROUP TO PROMOTE UNITY

PA262203 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 25 Jun 84

[Nationalist Popular Action Movement "political manifesto"]

[Excerpts] The desire to cooperate in resolving the problems that have negatively affected our great National Party of Honduras has resulted in the formation of a working group identified as the Nationalist Popular Action, [Accion Popular Nacionalista -- APNA], formed by men and women of firm nationalist convictions who are without commitments to the past and without links to tendencies or currents within the party, nor subject to influences foreign to the Nationalist Party.

APNA, aware of the historic responsibility that has been its driving force from the time of its creation, once again expresses to the Nationalists the following ideas and objectives:

1. In May 1983, APNA told the Central Committee then in power that the only way to unify and restructure the party was to call all Nationalists to an electoral contest, free of influence from the groups in conflice, so that the party's power could come from below and so that it would be nourished by new blood.

2. The groups in conflict at that time and those in conflict today, although they have accepted the idea of general elections, have wanted to prepare them upon false bases, thus prostituting the original essence of the elections.

We promote internal elections that will include all of the party's organizations and authorities, a clean, honest event, without fraud or trickery, in which and authentic unified nationalism will participate, and from now we say "no" to the elections that any of the factions may propose to call and carry out. This action would totally lack the seal of legitimacy.

3. Nationalist Popular Action feels that although it is feasible to hold elections, a split within the Central Committee would not allow ethical and practical conditions for a free and fair election.

4. Therefore, because of the little time left before the general elections in the country, it has become necessary to make urgent decisions to unify the pary, such as:

A. The formation of a central committee formed by noteworthy Nationalists, uncommitte to the groups in conflict, who could promote the party's unification and carry out the internal elections with objectives and goals different from those that might emerg if this circumstance is not solved.

B. Initiate the search for possible nominees within the party so that a true leader can be selected from among them and around whom the real unification of the party could take place.

C. The National Party's presidential candidate should be chosen from among all of the Nationalists for his merits and virtues, and later by the conventioneers who would bring from their respective bases the mission of democratically selecting that candida

5. If, perchance, the bases for Nationalist unity were cast, we feel that it would be very important to prepare very carefully for a general census of our affiliates, making any interference by the governing party faction useless. The party's census will be the instrument for the planning of the new structures of the Nationalist Party of Honduras. APNA calls on all of the National Party bases to embrace our sugge tion in order to save our party, and to demand -- through the media -- that the respective authorities carry out the ideas and objectives expressed here. Unity and development, with the people's sovereign will.

Tegucigalpa, D.C., 25 June 1984

[Signed] (Alejandro Lopez Cantadero), president. Dr Carlos A. Medina, Coordinator

RESIDENTS, OTHERS DEMONSTRATE IN COMAYAGUA

PA261845 San Pedro Sula TIEMPO in Spanish 25 Jun 84 p 3

[Excerpt] Comayagua -- Residents in this city joined protest demonstrations organized by popular sectors to demand abrogation of Decree No 85-84. They also requested the creation of a university center and guarantees for Honduran citizen's political liberties. Participants displaying posters with pictures of 10 peasants, 2 young girls, and 2 priests killed in (Los Cordones) in 1975 headed the protest march which ended at the cathedral's front door, from where speeches were delivered.

The demonstration was organized by the Popular Coordinating Board for the Defense of Comayagua's Interests [Coordinadora Popular Para la Defensa de los Intereses de Comayagua], the Union of Workers of Hospitals and Similar Institutions [Sindicato de Trabajadores de Hospitales y Similares], the Union of Piedra Azul Cement Factory Worke [Sindicato de Trabajadores de Cemento Piedra Azul] and the National Union of Peasants, UNC.

Posters

"Gringos go home!" "The foreign minister travels while people starve!" A university for this city!" "Do you want more taxes? No!" "Yankee trash, out of Honduras!" Were some of the slogans that appeared on hundreds of posters held by the demonstrators.

25 June

One by one, speakers recalled the 25 June 1979 incidents in Juticalpa, Olancho, when the "Santa Clara" Peasant Training Center was occupied by soldiers and all the militants were taken prisoner. On that occasion, the military contingent under Major Enrique Chinchilla, supported by landowners headed by Manuel Mel Zelaya, tortured and later executed 14 people, including Catholic priests, the 2 young girls, and 10 members of the UNC, whose bodies were thrown in a well and then dynamited.

NICARAGUA

EPS DISMANTLES FDN CAMP, INFLICTS CASUALTIES

PA270445 Managua Domestic Service in Spanish 0300 GMT 27 Jun 84

[Text] "San Jose de Bocay, Jinotega Department -- The Sandinist People's Army [EPS] has dismantled a camp belonging to the Rafael A. Herrera regional command of the so-called Nicaraguan Democratic Front [FDN], inflicting over 300 casualties. The task force, which was led by Encarnacion Valdivia, alias El Tigrillo, operated in the areas of Gunia, (Ayapal), (Bocas de Golondrina) and (Turuguas), in northern Jinotega Department, some 200 km north of Managua. The camp contained some 400 tents and a cemetery in which some of the graves contained over 15 counterrevolutionaries.

The EPS operation began on 15 June. In the course of the fighting, the counterrevoluionaries were reinforced by stragglers from the (Mayima) forces who were wounded some weeks ago and taken to Honduran territory, while they were receiving supplies from C-47 transport planes from Honduras. This operation is part of a general EPS offensive against the nucleus of the commandos who have been operating in the country's interior since 9 April.

269 CUBAN TEACHERS ARRIVE FROM GUANTANAMO

PA270336 Managua Radio Sandino Network in Spanish 1200 GMT 26 Jun 84

[Text] A total of 269 primary school teachers, comprising the first contingent of the 50th Anniversary Educational Brigade, have arrived in Nicaragua from the Guantanamo Province of Cuba. After 4 months of study, in which the brigade achieved a 100-percent academic performance record and won a vanguard's banner, these teachers have come to fill, in part, the revolution's (?need) for education; they will be distributed through various parts of the country, particularly rural areas.

Companero Carlos Carrion, secretary general of the 19 July Sandinist Youth, said the following while welcoming them at the Plaza of the Revolution in front of Commander Carlos Fonseca's tomb: The revolutionary government and leaders have placed great hope in all of you, and have the absolute certainty that you will fulfill your mission successfully, willingly, and firmly.

EDUCATION WORKERS DEMONSTRATE AGAINST LA PRENSA

PA221940 Managua Radio Sandino Network in Spanish 1200 GMT 22 Jun 84

[Text] Approximately 100 education workers from the Ruben Dario University Center held a march yesterday that ended in front of LA PRENSA's installations in protest over the newspaper's editorial policy. The Association of Education Workers [Asociacion de Trabajadores Docentes], ATD, stressed in a communique that LA PRENSA supports counter-revolutionary activities by ignoring the terrorist actions against our people and that it uses subtle propaganda to depict the current situation as a confrontation among Nicaraguans, avoiding the main issues.

With shouts of "LA PRENSA and CIA, the same company!" the ATD members condemned and rejected LA PRENSA's actions, warning our people to remain watchful and to defend our homeland against all ideological diversionism by LA PRENSA.

PSC POSTPONES CONGRESS, ISSUES RESOLUTIONS

PA251829 Managua Radio Noticias in Spanish 1200 GMT 25 Jun 84

[Text] The Social Christian Party, PSC, has postponed the holding of its important congress. The PSC National Directorate met yesterday and, among other things, issued several resolutions. One of them was to hold another meeting of the National Directorate on 8 July and the party's national congress on 14 July. During the national congress the PSC will make a final decision regarding the elections. Other resolutions were related to the current situation in the country, particularly religious matters. Prior to the national congress, the PSC will begin consultations with its rank and file at a national level for the selection of its candidates to the national constituent assembly. The PSC is a member of the Ramiro Sacasa Coordinating Board and, thus far, has not made known its final decision regarding its participation in the upcoming elections.

EXILES FORM 'NICARAGUAN LIBERATION MOVEMENT'

PA261402 Guatemala City PRENSA LIBRE in Spanish 23 Jun 84 p 4

[Text] Roberto Ponce Torres a Nicaraguan, has visited our offices to inform us that he and other Nicaraguan exiles have formed an anticommunist movement called the "Nicaraguan Liberation Movement" [Movimiento de Liberacion Nicaraguense] (MLN). Their objective is to fight against the USSR- and Cuban-backed dictatorship. The movement, made up of about 2,500 Nicaraguan exiles, was created in Tegucigalpa, Honduras, in response to the Sandinist regime's betrayal of its people who longed for the liberation of Nicaragua from Anastasio Somoza Debayle's dictatorship.

He said that the Nicaraguan people are conviced that despite the 40 years of Somozist dictatorship, it is better to have liberty within a military dictatorship than Nicaragua's present status as one more satellite in the Moscow-Cuba orbit. The history of Commander Fidel Castro Ruz' treason is being repeated in Nicaragua. In the conclusion of his defense during his trial for the attack on the Moncada Barracks in Santiago de Cuba on 26 July 1953, Castro uttered his famous words: History will absolve me.

ACAN: PASTORA EXPELLED FROM REVOLUTIONARY ALLIANCE

PA261544 Panama City ACAN in Spanish 1452 GMT 26 Jun 84

[Text] San Jose, 26 Jun (ACAN-EFE) -- Eden Pastora Gomez, "Commander Cero" of the Nicaraguan revolution, has been expelled from the Democratic Revolutionary Alliance (ARDE), which he helped to form 1 year ago [as received] with Alfonso Robelo. The rebel leader's ouster was ordered by four opposition groups supporting the political orders of Robelo, who did not attend the meeting because he is in Washington. Robelo's five delegates, together with four from the group led by Fernando Chamorro (El Negro), four from the labor organizations that follow Zacarias Martinez, and two native (Miskito) independents voted in favor of Commander Pastora's ouster. Those opposed to this extreme measure were the Miskitos led by Brooklyn Rivera, who was also absent because he is at the University of Texas (United States), where he was invited to explain the Nicaraguan situation, and the Christian Democrats, whose leader is Jose Davila.

The decision against Commander Cero is the result of a rift with Alfonso Robelo over a merger with the Nicaraguan Democratic Force (FDN), which is fighting the Sandinists in northern Nicaragua, with whom Pastora refuses to join and who, on the contrary, he accuses of being Somozists.

Pastora is passing through Panama today and will be leaving in the coming hours for an unspecified country which journalistic circles say is the United States.

ARDE: Left on 'Own Volition'

PA261941 San Jose Radio Impacto in Spanish 1830 GMT 26 Jun 84

[Text] Spokesmen for the Democratic Revolutionary Alliance, ARDE, have told this station that Commander Eden Pastora, leader of the Sandino Revolutionary Front [FRS], has left ARDE of his own volition. It was explained that the FRS had decided to leave the ARDE Democratic Assembly. On 20 June the ARDE assembly sent a document to Pastora asking him to abide by the statutes and agreements of that alliance. It was disclosed that Pastora did not answer the letter and appointed Commander Ramon as the acting general commander of the ARDE armed forces. The ARDE Democratic Assembly rejected this appointment because, in addition to Pastora, the alliance has two other acting commanders, Negro Chamorro and Brooklyn Rivera, and they can be appointed by the assembly to assume command in the absence of the general commander.

ARDE held a meeting yesterday and issued the following communique: These incidents show the final willingness of the FRS to separate itself from ARDE, thus ceasing to be a member of the assembly of their own accord. However, the communique said, if the FRS decides to abide by the resolutions and agreements of the Democratic Assembly and faithfully respects the alliance's statutes, it will be fraternally welcomed back.

In the next few hours, it was reported, the ARDE leadership will meet to reorganize the political and military sectors of the organization. It has been taken for granted that Negro Chamorro will be appointed new commander in chief of the ARDE armed forces, Brooklyn Rivera will be the second in command, and a new commander will be appointed to occupy the third military position of this alliance.

The other five organizations which created ARDE will remain in it. They are: Alfonso Robelo's Nicaraguan Democratic Movement, Negro Chamarro's Nicaraguan Democratic Union-Revolutionary Armed Forces of Nicaragua, Zacarias Hernandez' Nicaraguan Workers Federation, Jose Davila's Christian Democratic Solidarity Front, and Brooklyn Rivera's Miskito, Sumu, Rama, Sandinist Unity-Southern Indigenous Creole Communities.

Meanwhile, it was said in Panama that Commander Cero will go to Honduras in the next few hours. It was noted early today that Pastora is briefly stopping in Panama and that he was to fly to Washington in an effort to obtain more support for his group. However, the most recent report from Panama disclosed that unofficial sources stressed that the Nicaraguan rebel leader will go to Honduras in the next few hours.

The sources said that Cero, who has withdrawn from ARDE, of which he was the military chief, will later go to Mexico and the United States. Pastora has been in Panama since yesterday afternoon as confirmed by Panamanian Government and Justice Minister Rodolfo Chiari, who added that the guerrilla leader is only making a stopover in Panama from Caracas.

Departs for U.S.

PA270045 Panama City Televisora Nacional in Spanish 2300 GMT 26 Jun 84

[Text] Eden Pastora, Commander Cero, traveled to the United States this afternoon after an almost 24-hour stay in Panama, where he arrived from Venezuela.

A source close to the anti-Sandinist guerrilla leader has confirmed for this station and ACAN-EFE that Pastora did travel to the United States, but did not indicate his destination, the guerrilla leader's future plans, or how long he will stay in the United States.

Commander Cero said that he himself chose to withdraw from the Democratic Revolutionary Alliance, ARDE, which fights the Sandinist troops in northern Nicaragua.

BRIEFS

NEWSPAPERS INCREASE PAGES -- The three Nicaraguan newspapers -- LA PRENSA, of a rightist tendency; the independent EL NUEVO DIARIO; and BARRICADA, the FSLN's official organ -- will increase the number of their pages to 12, according to a government decision, to facilitate the publicity needs of the Supreme Electoral Council. [Summary] [Managua International Service in Spanish 0000 GMT 25 Jun 84 PA]

'URTHER REPORTAGE ON JACKSON TRIP, MEETINGS

Castro Greets Jackson

'1261414 Havana Television Service in Spanish 0220 GMT 26 Jun 84

Report on U.S. presidential candidate Jesse Jackson's arrival at Havana's Jose Marti International Airport -- recorded]

Text] At (?2000) [words indistinct] the special flight arrived bringing U.S. Democratic presidential candidate Jesse Jackson to Havana from San Salvador. Jackson deplaned at 2017. More than 100 reporters were present. He was greeted by Commander in Chief Fidel Castro. The flight was scheduled to have arrived at 1730 today, but was delayed in El Salvador. Jesse Jackson arrived from San Salvador, continuing his tour through the region, which first took him to Panama. Today he will be in Cuba and will go to Nicaragua on Wednesday.

Before leaving San Salvador, Jackson said that: We must all participate in a moral offensive. He added that in order to resolve the Salvadoran and Central American crises, we must choose a healthy and mature mentality over missiles. According to reports from San Salvador, Jackson told President Jose Napolean Duarte about the Salvadoran guerrilla leaders' hopes of holding talks with the regime on looking for peaceful solutions to the problems.

Following the friendly greeting between Commander in Chief Fidel Castro and Jesse Jackson, both headed for the press area and made a few statements. The U.S. presidential candidate said we are facing the danger of war in the Western Hemisphere and therefore, we are seeking a peace formula. We are especially seeking friendship between the peoples of the United States and the Latin American continent. Our hemisphere should renew its unity. We should talk to one another and not one against the other. The improvement of our relations can create peace in our hemisphere. Together, we can also alleviate the problem of hunger and help the poor. Together, we have the ability to educate our children. Above all, this generation should bear in mind the consequences of war and choose peace. We can do this with mutual respect, with mutual development. We should also move in this direction and give the opportunity for peace to triumph.

[Begin recording] [Jackson in English] My thanks on behalf of the Rainbow Coalition and our delegation. As we seek justice at home and peace abroad, we are honored to have the invitation. We are in danger of a raging war in the Western Hemisphere. That is the urgency now as we seek peace. The people of our nations, the United States of America and Cuba, must renew their friendship and their ties. We must talk with each other. Together, our nations have the capacity to bring peace to this hemisphere. Together, we have the capacity to feed the hungry, to provide homes for the homeless, to provide health care for those who are sick. Together, we have the capacity to educate children. We must give peace a chance.

[Unidentified reporter in English] President Castro. President Castro, can you tell us why you invited Rev Jackson here?

[Castro in Spanish] We are (?not) going to hold a press conference here now.

[Unidentified reporter in English] We just wanted to know why you invited Rev Jackson here.

[Castro to Jackson in Spanish] How was your trip here? Have you been working hard today?

[Jackson laughs] Quite a bit.

[Castro to Jackson] I hope you rest.

[Unidentified reporter to Castro in Spanish] Commander, I want to ask you what presidential candidate Jackson's visit to Cuba means.

[Castro] His visit is an honor for our country, in the same spirit that he has expressed. It is a gesture of peace.

[Unidentified reporter in Spanish] Could it mean something for Latin America and the United States?

[Castro] It is possible. We will work for that. [end recording]

Talks to Reporters

FL261202 Havana Domestic Service in Spanish 1045 GMT 26 Jun 84

[Excerpt] In his statements to the press on the runway of Jose Marti International Airport, Jackson said: This generation should bear in mind the consequences of war and gather the fruits of peace. We will do this through dialogue and mutual respect. We should change the atmosphere of the cold war and the hot rhetoric of war and give peace an opportunity.

At the airport, the visitor was welcomed by Juan Almeida and Carlos Rafael Rodriguez, vice presidents of the Council of State; Armando Hart culture minister; Flavio Bravo, president of the People's Government National Assembly; Jose Ramon Fernandez, vice president of the Council of Ministers; other state and government officials; John Ferch and James Todd, chief and deputy chief, respectively, of the U.S. Interests Section in Cuba; and Ramon Sanchez Parodi, chief of the Cuban Interests Section in the United States.

Jackson, 42, tall and athletic-looking, was one of Martin Luther King's comrades in arms in the 1960s and today, he has become an important U.S. political figure. Last night after his arrival in Havana, Rev Jackson attended an artistic evening given in his honor by the Ministry of Culture at the National Theater, located on Revolutionary Square.

Attends Functions

FL261034 Havana Domestic Service in Spanish 1000 GMT 26 Jun 84

[Text] Commander in Chief Fidel Castro last night accompanied Rev Jesse Jackson, candidate for the Democratic nomination for President of the United States, to an artistic evening given for Jackson by the Ministry of Culture.

The function took place in Avellaneda Hall at the Cuban National Theater. Also present were Armando Hart, minister of culture; Flavio Bravo, president of the People's Government National Assembly; and other state leaders and distinguished Cuban intellectuals. The program comprised traditional Cuban cultural performances by some noted Cuban artists and groups.

Jesse Jackson arrived in Cuba shortly after 2000 hrs [local time] Monday night. He was received at the Havana airport by Commander in Chief Fidel Castro. Jackson's visit to Cuba is part of a tour of the countries of Central America and the Caribbean.

Visits Old Havana

FL261700 Havana Domestic Service in Spanish 1600 GMT 26 Jun 84

[Text] This morning, Rev Jesse Jackson visited the museum of the city of Havana, located in the oldest section of the capital, and other sites of social and historical interest. He was accompanied by Commander of the Revolution Juan Almeida Bosque, vice president of the Council of State, and Oscar Fernandez Mell, President of the Provincial Assembly of the People's Government in Havana City Province.

'Official Talks'

FL270126 Havana Television Service in Spanish 0000 GMT 27 Jun 84

[Excerpts] As part of his activities in Cuba U.S. Democratic presidential candidate Jesse Jackson, had official talks this afternoon at the Palace of the Revolution.

Commander in Chief Fidel Castro, president of the Councils of State and Government, and Rev Jesse Jackson chaired the conversations. The talks are part of the activities being conducted by Jackson during his stay in our country. Rev Jesse Jackson, who seeks the nomination as presidential candidate for the Democratic Party, today toured the Havana Museum and the Hermanos Ameijeiras Hospital, accompanied by Commander of the Revolution Juan Almeida Bosque, member of the Politburo. The civil rights leader of the U.S. black community arrived in our country yesterday.

At the museum entrance, the delegation was welcomed by Oscar Fernandez Mell, president of the Provincial Assembly of the City of Havana, and Dr Eusebio Leal Spengler, the city's historian, who explained the cultural and architectonic values of the building which has been declared patrimony of humankind by UNESCO. Jackson and those accompanying him toured the museum which in 1871 was the Government House and residence of the captains general. This building was the site of several historical events including the signing of the instrument that ended Spanish domination of Cuba and began U.S. military intervention, which ended with thetriumph of the revolution.

At the conclusion of his visit, Jackson addressed the members of the press gathered there.

[Begin Jackson recording] We wish to express our thanks to the director of the museum for giving us such a thorough tour and taking us on a historical trek.

We discussed in some depth the traditions of slavery, transition, reformation, and liberation or independence. We discussed some of the heroes involved in ending slavery in Cuba and being a part of that spirit in America, even attempts that many officials of our government [made] to annex Cuba to be a part of the southern U.S. and, therefore, extend the slavery or make Cuba an additional state. We must build upon this for the future, for just as we needed each other to break the bonds of slavery in the past, we now need each other to stop war in this hemisphere, and to use our collective energies to get all rival factions to the bargaining table and away from the battle field. [end recording]

Prior to his departure from the museum to go to the Hermanos Ameijeiras Hospital, Jackson wrote the following in the book of visitors: I choose negotiations rather than confrontation, but I do not forget that self-respect and human dignity are not negotiable. At the hospital, the political leader was met by Sergio del Valle, member of the Politburo and public health minister, the hospital director, and other officials. Del Valle briefed the visitor on the services provided by the hospital. Jackson asked questions dealing with the hospital's services and, subsequently, toured various areas of the hospital.

Finally, on the ninth floor, he visited journalist (Michael Marriot), who is accompanying Jackson's delegation since it left the United States. (Marriot) was admitted to the hospital because he was not feeling well.

Castro, Jackson Press Conference

FL271128 Havana Domestic Service in Spanish 1000 GMT 27 Jun 84

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, and Rev Jesse Jackson held a press conference at the end of their official conversations. The press conference began after midnight in one of the rooms of the Palace of the Revolution. During the press conference, Rev Jackson read a 10-point declaration containing the essence of what he had discussed with Fidel. The 10 points of Jackson's declaration include the normalization of relations between Cuba and the United States, the exchange of ambassadors, the reuniting of families, and a visit by Jackson to U.S. prisoners in Cuba and the release of 22 of them with the exception of 2 airplane hijackers. Jackson's declaration also includes the matter of the counterrevolutionary prisoners freed by Cuba who have not yet been issued U.S. visas to enter the United States. Jackson also spoke in favor of the freeing of other prisoners who had committed crimes against the Cuban state. In his declaration, Jackson stresses Fidel's support of the initiative to hold a peace march on 1 July on the border between Mexico and the United States in support of the establishment of a warfree zone in this hemisphere, from Canada to Cuba.

Support for the Contadora Group meetings for a negotiated settlement in the Central American conflict is also present in Rev Jesse Jackson's 10-point declaration, as is his support for UN Resolution 433 for the complete independence of Namibia and the cessation of aggression against Angola.

In the name of a large number of Americans, Jackson invited Fidel to visit the United States as a means of continuing the process of rapprochement of the two peoples and as part of what he calls the moral offensive for peace. Last night, Fidel Castro gave a reception in honor of Rev Jackson in Revolutionary Square.

U.S. 'TURNED ITS BACK' ON LATIN AMERICAN DEBT

PA261821 Havana International Service in Spanish 0000 GMT 26 Jun 84

[Text] The Reagan administration has turned its back on the Latin American demand that problems associated with the foreign debt of the developing countries be deeply analyzed, a dispatch by the North American news agency ASSOCIATED PRESS says. The source quotes statements by White House [as heard] spokesman John Hughes who, when referring to the economic conference held in Cartagena by several Latin American nations, simply expressed Washington's pleasure over the fact that debtor countries reasserted their commitment to meet their financial obligations. Coinciding with Hughes' statements, the leading U.S. and Canadian banks decided to increase the interest rates on their loans by 1/2 percent. Thus, the interest rate charged by North American [as heard] banks jumped to 13 percent while the rate charged by the Canadian banks jumped to 12.5 percent.

HAVANA DECRIES U.S. INTEREST RATE HIKE

FL261444 Havana Domestic Service in Spanish 1000 GMT 26 Jun 84

[Text] U.S. interests rates have been raised to 13 percent. This increase raises the foreign debt payment obligations of Third World countries by more than $1.2 billion, according to the World Bank. And according to several experts, it further darkens the prospects of the U.S. economy. The ASSOCIATED PRESS news agency reported that several of the largest U.S. banks decided on the 1/2-percent increase, the fourth increase this year, bringing interest rates to their highest point since May -- 13 percent, which is practically usury.

COMMENTARY STRESSES CLOSER TIES WITH USSR

PA262146 Havana International Service in Spanish 0000 GMT 26 Jun 84

[Station commentary]

[Excerpts] The Soviet Union's solidarity and assistance have become particularly important to Cuba, given U.S. imperialism's renewed aggressiveness against our Caribbean island. Our ties with Lenin's homeland grow stronger every day. This was demonstrated by the results of the 24th session of the Cuba-Soviet Intergovernment Commission, which has just closed in Moscow. The commission's work was chaired by Ivan Arkhipov, first deputy chairman of the USSR Council of Ministers; and Carlos Rafael Rodriguez, vice president of the Cuban Councils of State and Ministers.

During the sessions of the commission, which meets alternately in Moscow and Havana each year, a final protocol that will be a new and major factor in the work to bolster and promote the growth of Cuba's economy was signed.

According to official reports in Moscow, precise instructions were issued during the commission's sessions that the Juragua nuclear electric plant be built in Cienfuegos Province, Cuba, thus bolstering our homeland's electrical energy development. As foremost Soviet leader Konstantin Chernenko said recently, the USSR's fraternal solidarity with Cuba takes on added significance now when U.S. imperialism's most aggressive forces are becoming openly more active. As far as the USSR is concerned, it has always been and will always be on Cuba's side, Chernenko stressed.

JOINT ECONOMIC, INDUSTRY MEETING HELD WITH ITALY

FL261440 Havana Television Service in Spanish 1200 GMT 26 Jun 84

[Text] The third meeting of the Joint Cuba-Italy Committee on Economic and Industry Cooperation has begun at the Sierra Maestra Hotel. Both sides talked about their respective economies, specifically production and trade. They also discussed bilateral relations and trade.

Malmierca Receives Under Secretary

FL261732 Havana Domestic Service in Spanish 1600 GMT 26 Jun 84

[Text] Cuban Foreign Minister Isidoro Malmierca, member of the party Central Committee, received Senator Susanna Agnelli at the Foreign Ministry today. Agnelli is Italian under secretary for foreign affairs, and president of the Italian delegation to the third meeting of the Joint Cuba-Italy Committee on Economic and Industrial Cooperation. In their conversation, held in a fraternal atmosphere, Malmierca and Agnelli expressed their desire and decision to strengthen relations between the two nations.

ANGOLA'S MPLA-LABOR PARTY ISSUES COMMUNIQUE

PA251612 Havana International Service in Spanish 1800 GMT 25 Jun 84

[Text] The Central Committee of the Popular Liberation Movement of Angola [MPLA]-Labor Party has expressed concern over South Africa's nonfulfillment of the commitment made in the Lusaka talks. An MPLA-Labor Party communique issued in Luanda at the end of the Central Committee's 14th regular meeting stressed that the growing U.S. support for the Pretoria regime to prevent the application of UN Security Council Resolution No 435 on Namibian independence is worrisome.

In regard to Angola's political-military situation, the document emphasized that it is characterized by criminal acts committed by counterrevolutionary bands which, desperate because of defeats dealt by the Angolan Armed Forces, are increasing attacks on civilians, the kidnapping of foreign citizens, and the destruction of the economic and social infrastructure. After referring to the deterioration of the situation and the proliferation of tension spots in the world because of the increasing aggressiveness of imperialism, the communique stated its solidarity with the efforts of the Soviet Union, other socialist countries, and peace-loving forces to create a climate of world detente.

COSTA RICA'S MONGE IN VIENNA; DEFENDS NEUTRALITY

PA251628 Havana International Service in Spanish 1800 GMT 25 Jun 84

[Text] Costa Rican President Luis Alberto Monge has defended his country's perpetual and nonarmed neutrality and expressed concern about the current Central American situation. At a news conference held in Vienna, Austria, Monge said that there is no threat of a Nicaraguan aggression as has been insistently reported. He admitted that despite certain differences, his government maintains positive relations with the United States. The Costa Rican president is touring 12 European nations and will go to the United Kingdom and Portugal in the next few days, where he will talk about the Costa Rican foreign policy, as he has done in other countries which he has already visited.

FURTHER REPORTAGE ON NICARAGUA'S ORTEGA'S TRIP

Talks to Kadar

PA261632 Havana International Service in Spanish 1800 GMT 25 Jun 84

[Text] Daniel Ortega, member of the FSLN National Directorate and coordinator of the Junta of the Government of National Reconstruction, has met in Budapest with top Hungarian leader Janos Kadar. The two leaders condemned the attempts of imperialist circles to interfere in the internal affairs of Nicaragua, as well as the aggressive actions against that country. Ortega is currently touring socialist countries of Europe heading a high-level Nicaraguan delegation.

Ortega on U.S. 'Intervention'

FL262350 Havana Television Service in Spanish 1700 GMT 26 Jun 84

[Commander Daniel Ortega, coordinator of Nicaragua's Junta of the Government of National Reconstruction, interviewed by unidentified reporter in Hungary -- recorded]

[Text] We will now pass to an interview with Commander Daniel Ortega, who is visiting Hungary on his tour through the socialist countries.

[Begin recording in progress] [Unidentified reporter] ...this threat, direct and real?

[Ortega] Nicaragua has now suffered under U.S. direct aggression for 4 years. Simply put, we are constantly alert to a possible direct intervention by U.S. military forces.

[Reporter] What brought about this decision to remain watchful?

[Ortega] Well, because of the U.S. government's hopes [of conducting an intervention]. The U.S. Government has already succeeded in building up the area surrounding Nicaragua by building airports and basic infrastructure in neighboring countries, in order to be prepared to operate against Nicaragua or against the Salvadoran people or in both simultaneously.

The main restraining point has been the Nicaraguan peoples decision and determination to face this invasion. And, the cost that this signifies to the Reagan administration, which, logically, is very closely tied to U.S. public opinion. [end recording] At the Budapest airport, Commander Daniel Ortega and his delegation were seen off by high-level Hungarian Government officials. The Nicaraguan delegation left for Romania.

NICARAGUA'S CENTENO ON U.S. SPY FLIGHTS, AID

PA261951 Havana International Service in Spanish 0000 GMT 26 Jun 84

[Text] The administration of North American President Ronald Reagan has increased the number of its espionage flights and the logistical support it gives to the Nicaraguan counterrevolutionaries based in the areas near the Costa Rican-Nicaraguan border, Sandinist Captain Bosco Centeno has affirmed. Centeno, who is the military commander of the Sandinist People's Army's [EPS] 2d Special Zone, said that the increase is aimed at averting a complete disbanding of the mercenary forces in the area, who took a severe beating from 5 to 16 June. The Sandinist forces' "Operation Sovereignty" wiped out over 200 counterrevolutionaries and forced approximately 400 to desert and surrender to the Costa Rican authorities.

Centeno charged that C-47 and DC-3 planes, apparently from Honduras and El Salvador, constantly fly over the border with Costa Rica with supplies for the mercenaries. He did not rule out the possibility that the flights carry counterrevolutionaries of the so-called Nicaraguan Democratic Force. After stressing that North American U-2 and SR-71 spy planes have been detected, Centeno hailed the role that has been played in the latest actions by the soldiers of the Military Patriotic Service, who are still conducting search operations at various points on the border, where small squads of mercenaries who kidnap peasants and murder civilians have been detected.

NICARAGUA, U.S. BEGIN TALKS IN MEXICO

FL261518 Havana Domestic Service in Spanish 1000 GMT 26 Jun 84

[Text] Nicaraguan Deputy Foreign Minister Victor Hugo Tinoco and Reagan's special envoy for Central America, Harry Shlaudeman, have begun talks in the Mexican resort of Manzanillo. The Mexican Foreign Secretariat confirmed that the meeting had occurred and reported that Mexican Foreign Secretary Bernardo Sepulveda had welcomed the envoys of the two countries and immediately returned to Mexico City. An official document distributed by the Mexican Foreign Secretariat stated that no Mexican representative was taking part in the Nicaraguan-U.S. dialogue, either as a witness or as a mediator. The talks are taking place in complete isolation and are considered to be the result of efforts by Mexico and the Contadora Group for a negotiated peace for the problems of Central America.

FRG GROUP TO HELP BUILD PRINTING PRESS IN NICARAGUA

FL262126 Havana Domestic Service in Spanish 1400 GMT 26 Jun 84

[Text] The first group of West German members of the Carlos Fonseca Solidarity With Nicaragua Brigade left today for Managua where they will help build a printing press for Sandinist youths. Yesterday Chairman of the German Communist Party Herber Mies said goodbye to the 7 brigade members. Mies reiterated to the group a call to support this solidarity project of building a printing press. Mies also stressed the support extended by FRG communists to the Sandinist revolution currently under serious attack from the United States and counterrevolutionary forces. Mies demanded that the Helmut Kohl government immediately send credit payments which have already been approved for Nicaragua, resume economic aid, and that it withdraw any support to counterrevolutionary forces.

CAPE VERDE PRIME MINISTER TO ARRIVE WEDNESDAY

FL261500 Havana Television Service in Spanish 1105 GMT 26 Jun 84

[Text] Pedro Pires, assistant secretary general of the African Party for the Independence of Cape Verde [PAICV] and prime minister of Cape Verde, will arrive in Cuba on Wednesday. He has been invited by Commander in Chief Fidel Castro Ruz, first secretary of the Communist Party of Cuba and president of the Councils of State and Ministers. This visit will more firmly bind the friendly ties between the peoples of Cuba and Cape Verde.

CHILEAN LABOR CONGRESS NOTES NEED TO STRUGGLE

PA262152 Havana International Service in Spanish 1600 GMT 26 Jun 84

[Text] the fifth congress of the Democratic Front of Chilean Workers [Frente Democratico de Trabajadores de Chile], which has Christian Democratic leanings, has reiterated the need to struggle for a change in the political regime and for the reestablishment of democracy in that country. The 290 delegates supported the work carried out by the National Workers Command, led by Rodolfo Seguel. In one of the resolutions issued by the Democratic Front, in which moderate positions predominate, it is recognized that the Communist Party of Chile is a reality that must be accepted and that the Christian Democrats can agree to unity of action with it, though not organizational unity. The Chilean regime's judicial authorities have sentenced opposition leaders Jose Ruiz di Giorgio and Carlos Mladinic, accused of participating in an antidictatorial demonstration in Punta Arenas 3 months ago, to 3 years in prison.

STRIKES CONTINUE IN PERU; SHINING PATH ATTACKS

PA251402 Havana International Service in Quechua 2200 GMT 23 Jun 84

[Text] Reliable sources in Lima, Peru, have said that the government is studying and making final arrangements to create a decree whereby workers' salaries will be increased in order to end strikes that are affecting services as well as production.

Despite the government's national emergency decree, the workers have carried out a series of actions and demonstrations demanding a prompt response to their requests. The police have had to intervene on several occasions to control the demonstrators.

Lima newspapers have reported that members of the Shining Path group broke into a public building in Junin Department, taking large quantities of dynamite. An Army report states that members of the Shining Path group murdered a large number of peasants in the town of Balcon, located in the high area of Ayacucho. According to witnesses, more than 60 members of Shining Path participated in this action.

URUGUAYAN REGIME SCORED FOR FERREIRA ARREST

PA220449 Havana International Service in Spanish 0000 GMT 21 Jun 84

[Text] Four opposition political organizations in Uruguay will establish their position before the Armed Forces on Thursday, during the negotiations on ways to return to a democratic regime in the country. It is felt that the negotiations have entered an extraordinarily difficult phase following the arrest of National Party leader Wilson Ferreira Aldunate upon his arrival at Montevideo last Saturday. The National Party has reasserted that it will not participate in the meetings with the military regime to discuss the upcoming November elections as long as its top leader remains under arrest. The Uruguayan opposition forces will also report on their decision to carry out a civic strike next 27 June, on the occasion of the military regime's 11th anniversary. In addition, the Ecuadoran Foreign Ministry has issued a communique criticizing the arrest of the Uruguayan opposition leader, an action that does not contribute to strengthening the Uruguayan regime's plans and policy. Angelo Bernassola, secretary general of the Christian Democratic World Union, has condemned Ferreira Aldunate's arrest. The Uruguayan leader's arrest was also criticized by the Social Christian Party of Venezuela, which demanded his immediate release.

URUGUAYAN OPPOSITION PLANNING WORK STOPPAGE

PA220453 Havana International Service in Spanish 0000 GMT 22 Jun 84

[Text] Uruguayan opposition forces have decided to hold a civic work stoppage on 27 June, the 11th anniversary of the military coup in the country. The multiparty organization, which groups all opposition organizations, has arranged for a discussion of the initiative with workers, students, and labor unions in the next few hours. The stoppage -- which is part of the popular joint mobilizations which have been taking place since last 25 August by groups opposed to Gregorio Alvarez' military regime -- has been supported by the main political and social forces in Uruguay. The multiparty organization expressed its rejection of the arbitrary arrest of Wilson Ferreira Aldunate, leader of the National Party, and demanded that authorities release him immediately. The group points out that Ferreira Aldunate's freedom constitutes a key element for the resumption of dialogue with the regime and the pacification of the country. From Buenos Aires, Argentine President Raul Alfonsin sent a message to the Uruguayan regime requesting Aldunate's prompt release, describing him as an untiring fighter for our peoples' progress.

Meanwhile, the Venezuelan Chamber of Deputies and Senate unanimously approved a resolution of solidarity with the Uruguayan people's struggle for liberty and democracy, which also requests the liberation of all political prisoners in that South American country.

OECS, ECLA SIGN MEMORANDUM OF UNDERSTANDING

FL261600 Bridgetown CANA in English 1548 GMT 26 Jun 84

[Text] Castries, St Lucia, June 26, CANA -- The Economic Commission for Latin America (ECLA) and the Organisation of Eastern Caribbean States (OECS) have signed a memorandum of understanding, paving the way for a closer working relationship. The memorandum encompasses an agreed work programme for the period 1984-1989, to be implemented jointly with the Caribbean Development and Corporation Committee (CDCC). The OECS states are members of the ECLA and participate in CDCC which is served by the ECLA sub-regional headquarters in Port-of-Spain.

A statement from the OECS Secretariat here said the priorities include work on economic integration specifically directed toward advancing the implementation of the customs union now in force among its seven member countries. The agreement will also cover assistance to the OECS Secretariat in matters pertaining to international trade and in the area of economic and technical co-operation between the OECS and countries in Latin America. The programme is to be implemented through the mechanism of assigning a United Nations staff member from ECLA's Port-of-Spain office.

Dr Silborne Clarke, who established that office in December 1966, has been designated by the UN to be ECLA/CDCC/OECS co-ordinator, with headquarters at the OECS Secretariat here. Clarke says most of the programmes under the CDCC are designed for the 17 member countries; "however, they would need to be adapted one way or another to suit the particular circumstances of the Eastern Caribbean countries," he said.

On the plans for advancing work on the customs union, Clarke said the OECS Treaty Annex provides for the union which was established 15 years ago and had been in operation through the Eastern Caribbean Common Market Secretariat in Antigua, now the Economic Affairs Secretariat of the OECS. "Within the framework of this common market agreement there are certain activities of customs union nature which unless they are efficiently operated will retard the development of the common market," Clarke said.

RAINFORD NOTES SIGNIFICANT DROP IN CARICOM TRADE

FL261648 Bridgetown CANA in English 1514 GMT 26 Jun 84

[By Edwin Ali]

[Text] Georgetown, Guyana, June 26, CANA -- Trade within Caribbean Common Market (Caricom) countries dropped by 200 million E.C. dollars (one E.C. dollar) 37 cents U.S.) in 1983, Secretary General Roderick Rainford said today.

Rainford called for urgent action to arrest the decline which he said could trigger a regional crisis. Intra-Caricom trade reached 1.3 billion E.C. dollars last year in comparison to the 1.5 billion dollars in 1982. "The down turn is a very ominous portent in terms of the health of intra-regional trade regime, and it is very important to turn it around," the Jamaican economist said before leaving for Nassau where he will attend the Caribbean Community summit next week.

He noted that further unemployment could be caused by the drop in trade and called for attention to be given to the sharing of costs and benefits of the Caricom trade system. Fully half of the jobs in Caricom manufacturing are accounted for by trade among the 12 member states. Bahamas, the 13th member of the community, is not party to the Common Market.

The difficulties have been caused primarily by balance of payments and other economic problems in some countries, new levels of protectionism, and the collapse of the Caricom Multilateral Clearing Facility -- a credit mechanism. The trade problems have placed severe strains on the Common Market. Antigua Deputy Prime Minister Lester Bird warned three weeks ago that it was in grave danger of collapsing.

Trade matters will be discussed next Tuesday by the Caricom Council of Ministers, the second highest decision making body, and will be the main issue before the summit which starts the following day. "Certainly what seems to be called for now, which has to be studied very carefully, and which has to be the subject of the most careful process of consultation, is the matter of how we are managing the Common Market regime....what new formula, if any, that needs to be designed and applied, things that might involve compensatory systems that apply in some cases for ensuring that each country or each member state shares effectively in the benefits as well as contributing to the costs of operating such a system," Rainford said.

He called for "urgent attention to implement in the near future the Caricom industrial programming scheme which would effect a greater degree of complementarity in the production structure of the region on a planned basis and avoid unnecessarily wasteful duplication of production capacity in the various specific product areas, while, at the same time, unleashing the full productive capacity of the region on the manpower resources, the new material resources, and the creative potential of the region to produce for the region and to carry out trade within the region on the basis of that production in a manner that would not cause disruption in one member state or another."

Rainford expressed confidence that the "heads of government will give important directives which, when implemented, will lead to the strengthening of the Common Market regime and the strengthening of trade in the region." Another touchy subject for the summit will be Grenada where U.S. forces with token material support from seven nations of Caricom invaded last October. The military action caused a deep rift within the grouping but Rainford said recovery "is still in progress."

CANA LAUNCHES NEWS PROGRAM FOR RADIO STATIONS

FL252249 Bridgetown CANA in English 2206 GMT 25 Jun 84

[Text] Bridgetown, Barbados, June 25, CANA -- The Barbados-based CARIBBEAN NEWS AGENCY (CANA) today launched a 15-minute newsreel programme for radio stations from its new headquarters at Beckles Road, just outside of the capital, Bridgetown. General Manager Harry Mayers said that the daily programme entitled "Caribbean Today" was conceptualised about five years ago but had to remain a dream because of the prohibitive prices quoted for telecommunications circuitry. "Today the programme has become reality thanks to technical expertise supplied by UNESCO and financial assistance from the Federal Republic of (West) Germany," Mayers said. "While we delight in today's development, CANA must now look at video as the next logical step in the execution of our mandate to meet the information requirements of the Caribbean media."

The regional wire service rented offices since its inception in 1976 and last week moved into its new home at a cost of almost half a million dollars (one Bds dollar; 50 cents U.S.) including refurbishing and renovation. The new radio service, Canaradio, operates from a modern sound studio equipped with state of the art facilities, including a 16-track console.

Mayers said that the experience gained in setting up CANA and making it survive since 1976 plus today's introduction of a special service"...strengthens us in the belief that we can make our video dream come true in the not too distant future."

"The same technologies which now bring us developments of far flung regions must be harnessed and honed to keep our Caribbean peoples abreast of regional developments that impinge directly on their lives," Mayers said.

The next step in CANA's expansion programme is the computerisation of editorial operations of the wire service toward the end of the year.

JAMAICA

$143.5-MILLION IMF LOAN AGREEMENT ANNOUNCED

FL251656 Bridgetown CANA in English 2058 GMT 23 Jun 84

[By Paget Defreitas]

[Text] Kingston, Jamaica, June 22, CANA -- Jamaica today announced it had cleared the final hurdle to agreement on a 143.5 million dollars (U.S.) loan package from the International Monetary Fund (IMF), and the pact became effective yesterday.

Two weeks ago Prime Minister Edward Seaga announced that the IMF had approved in principle the funding of 67.2 million dollars (U.S.) in stand-by credits and 76.3 million dollars (U.S.) from its compensatory financing facility. But before the arrangement could be formalised, Jamaica had to reach agreement with Trinidad and Tobago on rescheduling of a 1976 loan. The government statement said there had been "the satisfaction of the IMF condition regarding the refinancing of deposits made by the Central Bank of Trinidad and Tobago with the (Central) Bank of Jamaica." Trinidad and Tobago lent Jamaica 70 million dollars (one Jca dollar; 25 cents U.S.) of an 80 million dollar package co-financed by Barbados and Guyana. The loan was up for repayment. The government did not announce details of the refinancing arrangement. Central Bank of Jamaica Governor Horace Barber last week went to Port-of-Spain for talks with his counterparts on the matter.

Jamaica sought a new agreement after fund threw out a previous 650 million dollar (U.S.) agreement, which was then in the final of three years, because the economy failed IMF performance tests last September. [sentence as received] Prime Minister Seaga said in November that a 15-month facility worth 180 million dollars (U.S.) in stand-by credits would have been implemented by January 1.

IMF demands for a unification of the multiple exchange system and a sharp devaluation of the local currency, plus a reduction of government subsidies and social spending, have been met.

Creditor bankers were awaiting the agreement to formalise a programme that has been a year in limbo to roll over 161 million dollars U.S. in principal payments due between last June and March next year. When this agreement was reached in June 1983, at a time when Jamaica was having problems with the IMF because of failure of performance tests, the banks had agreed to lend the island 18 million dollars U.S.

Seaga is planning to approach the so-called Paris Club to reschedule 172 million dollars (U.S.) in arrears and principal which will become due this year.

BURNHAM REPORTS ON AGREEMENTS WITH PRC, BULGARIA

FL252236 Bridgetown CANA in English 2333 GMT 23 Jun 84

[Text] Georgetown, Guyana, June 23, CANA -- Guyana will benefit in the areas of science, education, culture, economic cooperation and culture under agreements signed recently with Bulgaria and China, President Forbes Burnham said. Burnham returned to Guayana on Saturday after paying official visits to the two countries.

"The outstanding feature common to both visits was the establishment of what I would call a schedule for economic cooperation and trade not only in the ordinary sense, but in the sense of counter trade," Burnham told a news conference yesterday. "I would also say that I am satisfied because in both instances, we were able to come to firm arrangements for the exploitation of specific resources of Guyana on a joint basis to the mutual benefit of the parties involved," Burnham added.

"Under the protocol for development of economic cooperation, it was agreed that Guyana and Bulgaria would cooperate in the fields of hydro power at Tumatumari (in Guayana's Essequibo region), agriculture, forestry, mining, fishing and trade," Burnham said. The Essequibo region is claimed by Venezuela.

Burnham said that "specific projects in various areas are in the course of being fished out, but I think I can safely say that the existing commitments involve an input from Bulgaria which is well in excess of 100 million dollars (U.S.)" He added that under the barter protocol provision was made for an exchange of commodities up to December, to the level of six million dollars (U.S.).

On his visit to China, the president said Guyana signed a "memorandum relating to cooperation in fisheries, forestry and mineral development; an exchange of letters relating to cooperation for the improvement of the Sanata textile mill with a view to enabling it to produce resin-finish fabrics as well as heavy fabrics such as denim, and also for the purpose of equipping it with standby generating sets of a capacity of about one megawatt." The Santa textile mill was built with assistance from China. Chinese experts assisted in training local staff.

Another agreement signed was for an exchange of letters for the supply of 1,000 tonnes of cotton for processing by the mill. A cultural agreement was also signed, Burnham added: "There is already a specific commitment for the establishment of a joint venture in fisheries of an investment value of nine million dollars (U.S.) of which China will contribute four million dollars (U.S.)."

He said both visits were useful and "provided in general a valuable opportunity for strengthening relations between Guyana and two socialist states whose interest in developing Third World countries is beyond question."

In Bulgaria, Burnham said, "both sides called for the establishment of an atmosphere of confidence and cooperation among states, for respect for territorial integrity and for the sanctity of treaties for the settlement of controversial issues through honest and equal negotiations or other agreed mechanism and on the basis of equality and equal security."

'LARGE-SCALE' SMUGGLING OF RICE, SUGAR INTO SURINAME

FL221948 Bridgetown CANA in English 1923 GMT 22 Jun 84

[Text] Georgetown, Guyana, June 22, CANA -- A senior police official has said large scale smuggling of Guyana's rice and sugar is currently being undertaken across the Corentyne River which separates this 83,000 square mile South American Republic from Suriname.

Officer in charge of the Berbice Division, Senior Superintendent Hilton Cummings, said the police were hard pressed but doing their best to curtail smuggling activities and other crimes in the region. He said that because the coastline was "vast" it was difficult to keep a watch over the entire area.

JAGAN LEAVES FOR UK, USSR, CANADA VISITS

FL252307 Bridgetown CANA in English 2048 GMT 24 Jun 84

[Text] Bridgetown, Barbados, June 24, CANA -- Leader of Guyana's pro-Moscow opposition People's Progressive Party (PPP) Dr Cheddi Jagan left here yesterday for a working vacation taking in Britain, the Soviet Union and Canada. Jagan, a former Guyana premier, will be taking his annual vacation in the Soviet Union at the invitation of the Communist Party and speaking at rallies in Toronto and London. The PPP leader said he would be aiming to bring Guyanese living abroad up to date with political and other developments in their homeland, giving interviews and meeting various people. Jagan is scheduled to address a meeting of West Indians in London on Tuesday.

IRRIGATION PROJECT SAID HELPING AGRICULTURE

WA271160 Rome IPS in English 21 Jun 84

[Text] Georgetown, June 21 (IPS) -- The tremendous Mahaica-Mahaicony-Abary irrigation and drainage project is boosting Guyana's agricultural production significantly, a senior official said this week. Ben Carter, general manager of the irrigation project, said there had been marked production increases in rice, cash crops and livestock. Rice production has risen by 71 percent, with significant increases in yields per acre, Carter told local journalists.

The irrigation project, which began in 1978, is located on the east coast of Demerara Province some 30 miles from Georgetown. It has been credited with raising rice yields from 27 bags per acre to between 37 to 45 bags per acre, Carter said. Although production costs have risen, better drainage and irrigation facilities have helped farmers increase their income and achieve better living standards. Over the last six years, he said, cultivation of other crops has expanded by 153 percent.

Guyana is an Amer-Indian word meaning "land of many waters," and the nation's 270-mile long coastline is some four to six feet below sea level. In periods of excessive rainfall flooding takes place, seriously affecting small farmers. But for many months of the year farmers find it difficult to obtain adequate water for irrigation purposes.